

## RLI INVESTMENT SNAPSHOT

### BEZA MAR AGRO INDUSTRY



<b>Reason for Selection:</b>	<p>Beza Mar has a proven track record in producing international market-grade products and is operating in an industry ripe for growth. Beekeeping is human capital intensive, presenting an opportunity to increase income-generation opportunities in a region with an already strained employment market. It does not require significant amount of land or expensive inputs, making it a viable model for displaced populations to engage in and start improving their livelihoods and independence. Furthermore, Beza Mar operates within a priority sector, and thus support will be looked upon favorably by the Ethiopian government.</p>
<b>Location:</b>	Adama, Oromia, Ethiopia
<b>RLI Business Category:</b> <sup>1</sup>	R3: Refugee Supporting / R4: Refugee-Supporting, Host-weighted
<b>Company Background:</b>	<p>Founded in 2003, Beza Mar is one of the pioneering honey export companies in Ethiopia, with a presence in European, American and Asian markets.</p> <p>The company owns a processing plant on 2,500 square meters of land, strategically located in Adama, near Addis Ababa, providing access to quality organic honey and honey products for both the domestic and export market.</p> <p>They are, reportedly, the first honey company in the country to receive organic certification, holding both ISO 22000 and organic certification.</p> <p>Ethiopia is uniquely situated for honey cultivation, as there are no known diseases that could impact bee populations nor are there GMO crops cultivated in the country. These factors contribute to the high demand for the company's organic, pure high-grade honey internationally.</p>
<b>Industry/Sector:</b>	Agro-processing
<b>Products and Services:</b>	Organic honey; Beeswax

<sup>1</sup> This is the category RENEW believes the company could occupy after receiving appropriate technical assistance support. The concept of refugee-lens investing (RLI) is new to Ethiopia, as such, there are very few companies operating in the formal sector of the studied secondary cities that currently meet the RLI criteria.

<b>Management Team:</b>	Haile Giorgis Demissie, General Manager
<b>Employees:</b>	46 full-time employees; gender disaggregation unknown.
<b>Market Overview and Trends:</b>	<p>Ethiopia is Africa's largest producer of honey and ranks tenth in the world with a current national estimated total honey production of 54K metric tons per year. Its honey production potential, along with an appreciation for its diverse flavors and high quality, has been globally recognized.<sup>2</sup></p> <p>Honey production is a thriving industry in Ethiopia, unlike many other agricultural products that can suffer from weather variations. Bees supply honey two to three times a year and are less affected by weather conditions than traditional crops. However, local production methods result in lower yields, leading to an imbalance in supply and demand.<sup>3</sup></p> <p>Ethiopia has been exporting honey to the European Union since 2008, predominately to Germany, Norway and England. Honey is also being exported to Japan and recently to the United States.<sup>4</sup></p>
<b>Estimated Investment Needs*:</b>	Current investment needs are estimated at \$1.5M for developing commercial bee farming and building out the company's grower scheme, purchasing equipment and expanding market shares in Europe, United States and Asia as well as entering the Middle East as a new market opportunity.
<b>Target Funding Source(s):</b>	Foreign investors, impact investors, angel investors.
<b>Investment Opportunity:</b>	<p>Ethiopia is only harnessing 10% of its honey resources and there is a notable demand for Ethiopian honey globally, with already established favorable export markets such as the European Union and United States.<sup>5</sup></p> <p>Beza Mar's strong reputation in the international market presents a compelling investment case for consideration. With an appropriate investment, the company will be able to increase supply of quality inputs for its consumer products and expand its export capacity and market reach domestically, regionally, and internationally.</p>
<b>RLI Social Impact Opportunity:</b>	<p>Beekeeping is a skilled and labor-intensive practice. As the company expands, it could provide beekeeping training to refugees. Refugees could then care for hives and earn income by selling honey directly to Beza Mar.</p> <p>This also presents the opportunity for host / refugee interaction and community building by providing capacity building trainings for both populations. Support networks could be further built out of these interactions for beekeepers to share best practices and pool production for sale to Beza Mar.</p> <p>Beekeepers working with Beza Mar have seen improvements to their standard of living. The income earned has led to the building of improved housing structures and the ability for the company's workers to send their</p>

<sup>2</sup> GIZ. Partnership Ready Ethiopia – Honey and Beeswax. Global Business Network Programme. 2020. [LINK](#).

<sup>3</sup> *Ibid.*

<sup>4</sup> GIZ.2020.

<sup>5</sup> *Ibid.*

	<p>children to school. Beza Mar has also encouraged the cultivation of bee-friendly crops in the area, such as coffee, which can further increase household income and support other industries in the region.</p>
<b>RLI Support Strategy:</b>	<p>Beyond funding, the RLI community could identify expert beekeepers to provide training and technical assistance to teach refugee populations about beekeeping, best practices for managing hives and methods to increase production. As described above, these trainings could also be used as an opportunity to promote community integration.</p> <p>RLI advocates could further coach Beza Mar in the value of incorporating refugees into their supply chain. In achieving this, the RLI network could work in the international market to expand brand recognition of an Ethiopian refugee-supporting honey company to further build customer base and drive demand.</p>