



Malaika Honey

“Nobody should seek his own good but the good of others”

Small-scale beekeeping - Cost Benefit Analysis

(Created: August 2006, Revised: October 2010)

Preparation

In order to view the monetary advantages of beekeeping at a small commercial level is the following cost benefit analysis. Three separate tables are drawn on the main varieties of beehives used in Uganda.



Figure 1. Types of beehives and average seasonal yield

Outlined costs are recommended essential elements to successful beekeeping. Aside from the beehives themselves the following items are required :

Beehive stands : Pest control is a major disturbance to a healthy active bee colony. Proper stands that impede free movement of pests such as ants, lizards and spiders are essential. Stands can be self made using local materials or made for a low cost out of steel.

Beekeeping equipment : Beesuits, smoker, gloves, boots, brush and hivetool. Managing an apiary unprepared can result in a poorer service to the hives and lower grade harvested honey. Hives should not be sited without access to such equipment.

Labour : Monitoring by trained apiary manager, whether that be by a on-site manager or assigned outreach officer. The importance of an apiary manager is vital in the early stages of beekeeping to attract and maintain healthy colonies. As time goes on supervision becomes less important. Only to maintain general apiary upkeep duties and systems for regular harvesting. Labour costs should be considered, at least in the first two years for expert advice from time to time.

As with any financial investment, it is worth noting that the budget should be accounted for and kept within its limits.

When purchasing beehives : Ask yourself, is this carpenter an experienced beehive maker? Beehives have to be made to certain specifications. Is the hive properly constructed with suitable timber against weathering? Does the hives have wax foundation needed to attract a swarm?

These are the main issues that need addressing to establish a firm foundation for profitable beekeeping. It is worth consulting a practical expert with experience working in the field on these matters.

Monetary analysis

Traditional hives

Time and investment of 5 years
into 10 traditional beehives



Costs

Traditional beehives. (10 x 8,000Ushs)	80,000
Beehive stands (self-made)	0
Beekeeping equipment	150,000
Labour (maintained by owner)	0
TOTAL	230,000

Benefits

Traditional hives produce around 20kg per year	20
10 Beehives	10
For 5 years production, first 6-12 mths having limited honey output	4
Honey price fluctuates between 2500-4,500 Ushs	3500
TOTAL	2,800,000

Kenyan Top Bar (KTB) hives

Time and investment of 5 years
into 10 KTB beehives



Costs

KTB beehives (10 x 60,000Ushs)	600,000
Beehive stands (10 x 10,000Ushs)	100,000
Beekeeping equipment	150,000
Labour estimate (5,000 x 4wks x 12mths x 2yrs)	480,000
TOTAL	1,330,000

Benefits

KTB hives produce around 40kg per year	40
10 Beehives	10
For 5 years production, first 6-12 mths having limited honey output	4
Honey price fluctuates between 2500-4,500 Ushs	3500
TOTAL	5,600,000

Langstroth hives

Time and investment of 5 years into 10 KTB beehives



Costs

Langstroth beehives (10 x 120,000)	1,200,000
Beehive stands -steel welded (10 x 10,000)	100,000
Beekeeping equipment	150,000
Labour estimate (5,000 x 4wks x 12mths x 2yrs)	480,000
TOTAL	1,930,000

Benefits

Each Langstroth hive produces around 80kg per year	80
10 Beehives	10
For 5 years production, first 6-12 mths having limited honey output	4
Honey price fluctuates between 2500-4,500 Ushs	3500
TOTAL	11,200,000

Overview

Monetary overview after five years investment;

Type of beehive	Costs (Ushs)	Gross profit (Ushs)	Nett Profit (Ushs)
Traditional	230,000	2,800,000	2,570,000
KTB	1,330,000	5,600,000	4,270,000
Langstroth	1,930,000	11,200,000	9,270,000

Variables

- + Extra earnings can be gained from secondary hive products
- +/- Yield may vary depending on the season.
- +/- Beekeeping is no guarantee to wealth but hard work will give you a strong chance for success

Analysis

Traditional hives are cheap and easily accessible are suitable for the low initial input investor. KTB technology pays a moderate return while modern Langstroth technology provides the clear monetary advantage. The added benefit is that beekeeping with Langstroth hives will continue to reap a high yield with high returns long after the principle investment has been recovered.

The benefit of KTB technology is that it is more adaptable to the rural user with less training. In terms of accessibility and ease of usage the KTB has an advantage. The Langstroth also needs a centrifugal extractor to harvest honey and applied beekeeping knowledge.