

DUAL KEY PIPELINE: INVESTING WITH IMPACT

Women's Economic Empowerment/Social Enterprise Finance



HONEY PRIDE ARUA (U) LIMITED

Honey Pride Arua (U) Ltd.'s (HPA) business model is an "inclusive business model" where rural communities are included at various stages in the value chain. Most importantly, Honey Pride has included the rural farmers / beekeepers as their major suppliers of honeycomb for processing into honey products – i.e., honey, bees wax and propolis. The company is deliberately targeting the youth and women to join this enterprise for sustainable livelihood. HPA has used the funds from the START Facility to improve its honey processing capacity by purchasing modern equipment and purchasing more honeycomb for processing.

Location: Ayivu division, Arua city, Uganda

Project Cost: \$117,376

Development Impact: Local Economic Development

UNCDF Support:

- Tailored Technical Assistance – Undertook full due-diligence, Pre-investment business development services, project development and finance structuring, co-designed commercially viable yet sustainably social business model, assessed the development impact, financial impact additionality and sustainability (Dual Key), supported the investments in the implementation phase, post-investment business development services including advise on performance & impact measurement and reporting.
- Seed Capital Grant - UNCDF provided seed capital of \$47,510 in form of concessional loan

Financial Leverage unlocked by UNCDF: The intervention has demonstrated proof of concept of blending public and private resources at the local level; owner equity contribution of \$69,866.

Investment Impact:

With the technical assistance and seed capital support from UNCDF, Honey Pride has accomplished the following:

- Purchase of modern equipment including electronic honey press for separating liquid honey from the honeycomb, eight honey settling tanks with capacity of 1,000kgs each and honey filtering equipment.
- Increased its working capital majorly for purchase of honeycombs from the bee farmers.
- Increase in output from 3.5 tonnes before the investment to 5 tonnes after the investment per month. This is an approximate increase in monthly income by \$8,384.

Social Impact:

- Women & youth economic empowerment- In partnership with Uganda Micro Finance Support Centre has provided beehives and equipment to 1,762 bee farmers (16% female and 34% youth) up from 938 farmers. This has translated into income of \$470 per annum per additional farmer.
- Improvement in farmer livelihoods- Improvement in the house holds income by approximately \$118 per annum (from \$352 to \$470) of the rural farmers within the West Nile sub region subsequently growing their savings, rural economic investment, access to other social services like education, health etc.
- Employment – Recruited 8 permanent staff (3 women & 5 youth) and 18 temporary staff.



Figure 1 An employee using a manual honey press to extract liquid honey before packaging at Honey Pride Arua



Selection of products made by Honey Pride Arua including comb honey, propolis tincture, wax, and liquid honey



Female employee measuring honey into a jar at the Honey Pride Arua processing factory



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