

March 16, 2015

# **ESAI** **Graduation**

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Ethiopia Sustainable  
Agribusiness Incubator  
**INNOVATE INCUBATE**





“In partnership with ESAI, Yerkisho has come from just an idea to a thriving business championing great achievements and having a great promise!”

## Samuel Woldekidan

Company Name	Yerkisho Honey and Wax Trading PLC
Geographic Location	Jimma Zone, Oromiya Region, Ethiopia
Area of Business	Honey/beeswax processing and export
Financials	<ul style="list-style-type: none"> <li>Initial investment capital from owners: 1,500,000.00ETB</li> <li>Finance raised through loan and/or capacity building grant: 3,300,000.00 ETB</li> <li>Estimated annual sales of Year 01: 14,400,000.00 ETB</li> <li>Estimated profit margin: 10%-30%</li> </ul>
Target Market	EU
Social Value Creation	Works with 640 beekeepers in Gera and Gomma woredas of Jimma zone and Geisha woreda of the Kaffa zone; equipping beekeepers with improved production items and trainings; opening market for beekeepers; branding and promoting the regions to international markets
Impact on the value chain	First value adding enterprise for bee products in Jimma (processing unit). Promoting the regions and connecting beekeepers of the area with international markets.
Support provided by ESAI	<ul style="list-style-type: none"> <li>Concept note development, proposal preparation for beekeeping project</li> <li>Business plan preparation, application to bank and follow-up until loan release</li> <li>Marketing strategy development</li> <li>Communication materials development (business card, brochure, logo, website designs)</li> <li>Training on business plan development, entrepreneurship, leadership, business tax laws, export procedures, quality standards for honey &amp; beeswax</li> <li>Project site visit, reporting and advisory on strategic directions of the project</li> </ul>



“...practical hints were valuable which supported us to overcome pitfalls in working with community and other partners. Three words which I wanted to add from my experience in working with Precise Consult: Inspired, dedicated and valuable assistance which we took advantage of your advice to reshape our business in professional and structured manner.

## Emebet Dejene

Company Name	Emebet Commercial Beekeeping For Environment (ECBE) PLC
Geographic Location	Gurage Zone, SNNP Region, Ethiopia
Area of Business	Honey and Beeswax candle processing and sales
Financials	<ul style="list-style-type: none"> <li>• Initial investment capital from owners: 188,192.00 ETB</li> <li>• Finance raised through loan and/or capacity building grant: 476,674.00 ETB</li> <li>• Estimated annual sales of Year 01: 2,292,000.00 ETB</li> <li>• Estimated profit margin: &gt;46%</li> </ul>
Target Market	Domestic market and EU
Social Value Creation	Works with 382 beekeepers out of whom 115 are women in SNNPR: in Cheha, Gurage zone, in Metu and in Kafa Zone Bitawashi and Shapa.
Impact on the value chain	Commercial beekeeping farm in Cheha, Gurage Zone. It primarily collects output from smallholder beekeepers from the surrounding areas in Gurage zone and from Metu and in Kafa Zone Bitawashi and Shapa. The company is also in process of establishing a honey-processing unit to market table honey to both domestic and export markets. ECBE also produces beeswax candles for the domestic market. The out-growers program largely involves women, mainly in the training of beeswax candle making. ECBE Brings new product lines into the market and targets export.
Support provided by ESAI	<ul style="list-style-type: none"> <li>• Concept note development</li> <li>• Proposal preparation and submission</li> <li>• Advisory on strategic business directions of the project</li> </ul>



“Working with Precise Consult we have managed to raise finance and implement farm-gate honey and beeswax separation project”

## Yirgu Gossaye

Company Name	Yirgu Gossaye (Yeshe Mar)
Geographic Location	Gedeo Zone, SNNP Region, Ethiopia
Area of Business	Beeswax exports from crude honey filtration at farm-gate
Financials	<ul style="list-style-type: none"> <li>• Initial investment capital from owners: 258,000.00 ETB</li> <li>• Finance raised through Loan and capacity building grant: 628,000.00 ETB</li> <li>• Estimated annual sales of Year 01: 3,750,000.00 ETB</li> <li>• Estimated profit margin: 15%-35%</li> </ul>
Target Market	EU
Social Value Creation	Works with 500 beekeepers in Wonago, Yirgachefe and Kochera woredas of Gedeo zone
Impact on the value chain	Farm-gate processing of crude honey and exports of beeswax.
Support provided by ESAI	<ul style="list-style-type: none"> <li>• Concept note development</li> <li>• Proposal preparation and submission</li> <li>• Advisory on strategic business directions of the project</li> </ul>



"The years 2013 and 2014 with ESAI have been the years of a dream coming true"

## Yehwalashet Yigezu

Company Name	Babichi Agroforestry PLC
Geographic Location	Wollega Zone, Oromiya Region, Ethiopia
Area of Business	Honey and Beeswax processing and exports
Financials	<ul style="list-style-type: none"> <li>Initial investment capital from owners: 500,000.00ETB</li> <li>Finance raised through Loan and capacity building grant: 4,444,176.00 ETB</li> <li>Estimated annual sales of Year 01: 6,200,000.00 ETB</li> <li>Estimated profit margin: 7%-30%</li> </ul>
Target Market	EU
Social Value Creation	Works with about 1200 beekeepers in Lalo Asabe, Gidami, Anfillo, Boji woredas of Wollega zone and in Becho and Yayo woredas of Ilu/Ababora zone
Impact on the value chain	First value adding enterprise in western Ethiopia, located at Nekemte within the Wollega zone (processing unit). promoting the region and connecting beekeepers of Western Ethiopia to export markets.
Support provided by ESAI	<ul style="list-style-type: none"> <li>Concept note development, proposal preparation for beekeeping project</li> <li>Business plan preparation, application to bank and follow-up until loan release</li> <li>Marketing strategy development</li> <li>Communication materials development (business card, brochure, logo, website designs)</li> <li>Training on business plan development, entrepreneurship, leadership, business tax laws, export procedures, quality standards for honey &amp; beeswax</li> <li>Project site visit, reporting and advisory on strategic directions of the project</li> </ul>



“There has been a great partnership between our company and Precise Consult in moving our company and its operations forward”

## Haileselassie Yohannes

Company Name	Sheka-Nordic Honey and Beeswax Development Industry
Geographic Location	Sheka Zone, SNNP Region, Ethiopia
Area of Business	Honey and Beeswax processing and exports
Financials	<ul style="list-style-type: none"> <li>Initial investment capital from owners: 121,800.00 ETB</li> <li>Finance raised through Loan and capacity building grant: 2,248,495.00ETB</li> <li>Estimated annual sales of Year 01: 18,240,000.00 ETB</li> <li>Estimated profit margin: 10-30%</li> </ul>
Target Market	EU
Social Value Creation	Works with over 600 beekeepers in Sheka zone
Impact on the value chain	First value adding enterprise in Sheka zone, Masha (processing unit). Promoting the region, the beekeepers and their bee products.
Support provided by ESAI	<ul style="list-style-type: none"> <li>Concept note development, proposal preparation for beekeeping project</li> <li>Marketing strategy development</li> <li>Communication materials development (business card, brochure, logo, website designs)</li> <li>Training on business plan development, entrepreneurship, leadership, business tax laws, export procedures, quality standards for honey &amp; beeswax</li> <li>Project site visit, reporting and advisory on strategic directions of the project</li> <li>On behalf of entrepreneur, communication; information (data) provision and follow-up with the Ethiopian Investment Agency (EIA) for tariff free import of honey processing machinery</li> </ul>



“With and through ESAI we have dreamt big and we have gone big!”

## Tsion Abera

Company Name	Matti Honey and Beeswax Trading PLC
Geographic Location	Wollega Zone, SNNP Region, Ethiopia
Area of Business	Beehive workshop, Commercial Beekeeping Farm and Bulk sales
Financials	<ul style="list-style-type: none"> <li>• Initial investment capital from owners: 100,000.00 ETB</li> <li>• Finance raised through Loan and capacity building grant: 800,000.00 ETB</li> <li>• Estimated annual sales of Year 01: 5,250,000.00 ETB</li> <li>• Estimated profit margin: 10%-30%</li> </ul>
Target Market	Domestic Market
Social Value Creation	Works with 475 beekeepers in Jimma Rare woreda of Eastern Wollega zone and with over 500 beekeepers in Menesibu woreda of Western Wollega zone
Impact on the value chain	Bringing bulk volume products into the market. Already linked to serve two emerging processing companies.
Support provided by ESAI	<ul style="list-style-type: none"> <li>• Business plan development and submission to bank</li> <li>• Project site visit with bank personnel to value coffee farm of the entrepreneur as collateral and securing of investment loan for the beekeeping project</li> <li>• Training on business plan development, entrepreneurship, leadership, business tax laws, export procedures, quality standards for honey &amp; beeswax</li> <li>• Project site visit, reporting and advisory on strategic directions of the project</li> </ul>



“Working with Precise has helped me take my business to the next level and connected me to the best beeswax suppliers in Ethiopia”

## Ebissie Bayisa

Company Name	Mare Naturals LLC
Geographic Location	Washington DC, USA
Area of Business	Beeswax made cosmetics (lip balms, lotion) and beeswax candles
Financials	<ul style="list-style-type: none"> <li>• Initial investment capital from owners: 40,000 USD</li> <li>• Estimated annual sales of Year 01: 35,500 USD</li> <li>• Estimated profit margin: 7%-20%</li> </ul>
Target Market	Health stores and farmers’ markets in Washington DC area
Social Value Creation	Works with SYE Agroindustry PLC in securing beeswax from Ethiopia
Impact on the value chain	Introducing new product lines/niche products and value addition.
Support provided by ESAI	<ul style="list-style-type: none"> <li>• Business plan preparation</li> <li>• Linkage with beeswax supplier from Ethiopia</li> <li>• Advisory on strategic directions of the project</li> </ul>



“Precise Consult has raised my acquaintance with running a business and has enabled me to grow SYE further”

## Simret Lulekal

Company Name	SYE Agroindustry PLC
Geographic Location	Bishoftu, Oromiya Region, Ethiopia
Area of Business	Honey and Beeswax processing and sales
Financials	<ul style="list-style-type: none"> <li>• Initial investment capital from owners: 75,000.00 ETB</li> <li>• Finance raised for market linkage grant: 289,571.00 ETB</li> <li>• Estimated annual sales of Year 01: 3,000,000.00 ETB</li> <li>• Estimated profit margin: 10% - 15%</li> </ul>
Target Market	Domestic market
Social Value Creation	Works with 600 women beekeepers in Bishoftu and Adama areas of the Oromiya region
Impact on the value chain	Bringing bulk volume products into the market and targeting export market entry in the medium to long run future.
Support provided by ESAI	<ul style="list-style-type: none"> <li>• Concept note development</li> <li>• Proposal preparation and submission</li> <li>• Business plan development</li> <li>• Training on business plan development, entrepreneurship, leadership, business tax laws, export procedures, quality standards for honey &amp; beeswax</li> <li>• Project site visit, reporting and advisory on strategic directions of the project</li> </ul>



## Hamdi Ali Abdela

Company Name	Izemen General Trading PLC
Geographic Location	Hawassa, SNNP Region, Ethiopia
Area of Business	Honey and Beeswax Processing and Exports
Financials	<ul style="list-style-type: none"> <li>• Initial investment capital from owners: 1,393,600 ETB</li> <li>• Finance raised through Loan and capacity building grant: 3,400,000 ETB</li> <li>• Estimated annual sales of Year 01: 45,000,000-50,000,000 ETB</li> <li>• Estimated profit margin: 20%</li> </ul>
Target Market	Middle East
Social Value Creation	Works with around 600 beekeepers in Wonago woreda of Gedeo zone
Impact on the value chain	First value adding enterprise for bee products in Hawassa, SNNP region: connecting smallholder beekeepers of Southern Ethiopia with the Middle Eastern market.
Support provided by ESAI	<ul style="list-style-type: none"> <li>• Concept note development</li> <li>• Proposal preparation and submission</li> <li>• Marketing strategy development</li> <li>• Project site visit, reporting and advisory on strategic directions of the project</li> </ul>



“The ESAI project has helped me with raising awareness and confidence in converting my business idea into an actual practice”

## Desalegn Begna

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Company Name	Damma Beekeeping Equipments PLC
Geographic Location	Holleta, Oromiya Region, Ethiopia
Area of Business	Beekeeping equipment manufacturing and sales
Financials	<ul style="list-style-type: none"><li>• Initial investment capital from owners: 200,000.00ETB</li><li>• Estimated annual sales of Year 01: 2,000,000.00 ETB</li><li>• Estimated profit margin: 15% - 25%</li></ul>
Target Market	Domestic market
Social Value Creation	Caters for smallholder beekeepers in improving their production equipment with appropriate quality products
Impact on the value chain	Contributing to the solving of sub-standard beekeeping equipment problems.
Support provided by ESAI	<ul style="list-style-type: none"><li>• Business plan preparation</li><li>• Training on entrepreneurship, leadership and management</li><li>• Project site visit, reporting and advisory on strategic directions of the project</li></ul>



" Having the support of the ESAI project, we have organized and trained about 500 beekeepers aiming to increase output of the highly favored extra white honey"

## Dimma Beekeeping Development & Honey Processing PLC

Geographic Location	Adigrat, Tigray Region, Ethiopia
Area of Business	Honey processing and sales
Financials	<ul style="list-style-type: none"> <li>• Initial investment capital from owners: 90,300.00 ETB</li> <li>• Finance raised through Loan and capacity building grant: 463,160.00 ETB</li> <li>• Estimated annual sales from year 01 of the project: 5,760,000.00 ETB</li> <li>• Estimated profit margin: 15% - 35%</li> </ul>
Target Market	Domestic and Middle East Markets
Social Value Creation	Works with 500 beekeepers in Atsbi Wemberta Tigray region
Impact on the value chain	Raising productivity and production for the highly preferred extra-white honey.
Support provided by ESAI	<ul style="list-style-type: none"> <li>• Concept note development</li> <li>• Proposal preparation and submission</li> <li>• Marketing strategy development</li> <li>• Project site visit, reporting and advisory on strategic directions of the project</li> </ul>



“With high quality professional support of Precise Consult International, DAF was able to develop a concept note and a proposal to raise finance that would transform 600 beekeepers from traditional beekeeping to transitional beekeeping practices, which quadrupled productivity.”

## DEHANA-AMDEWORK FOUNDATION (DAF)

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Geographic Location	Wag Himira Zone, Amhara Region, Ethiopia
Area of Business	Honey and Beeswax bulk sales
Financials	<ul style="list-style-type: none"><li>• Initial investment capital from owners: 220,980.00 ETB</li><li>• Finance raised through Loan and capacity building grant: 750,000.00 ETB</li></ul>
Target Market	Domestic market
Social Value Creation	Works with 600 beekeepers in Dehana woreda of the Wag Himira zone
Impact on the value chain	Increasing market-focus and commercial orientation of smallholder beekeepers
Support provided by ESAI	<ul style="list-style-type: none"><li>• Concept note development</li><li>• Proposal preparation and submission</li><li>• Project site visit, reporting and advisory on strategic directions of the project</li></ul>



"With the help of ESAI, I realized my milk processing business idea in Arsi Milk shed. I am on my way to work with more than 1100 smallholder milk producers in collaboration with input suppliers and marketers in the value chain."

## Binyam Kassa

Company Name	Lactal Creamery
Geographic Location	Assela, Arsi Zone, Oromiya National Regional State, Ethiopia
Area of Business	Dairy Processing
Financials	<ul style="list-style-type: none"> <li>• Initial investment capital from owner: 1,631,544 ETB</li> <li>• Bank loan in progress for 5,300,000 ETB</li> </ul>
Target Market	Domestic and International Market
Social Value Creation	Linkage with up to 1100 smallholder dairy producers in Arsi zone for supply of milk using a check-off system.
Impact on the value chain	Introduces high quality cheese and yogurt to the dairy market.
Support provided by ESAI	<ul style="list-style-type: none"> <li>• Business Plan and financial model</li> <li>• Capacity building – training on entrepreneurship, leadership and management, access to finance, taxation, quality and standard and international trade</li> <li>• Link to banks and capital goods services</li> <li>• Market linkage with other dairy companies i.e. ALPIS. Ethio- Feed and HDPD</li> </ul>



**“As Founder and General Manager of Ethio-Feed PLC, which is actively engaged in innovative animal feed solutions, I am proud to partner with PCI in that it has expanded my horizon in doing business and pilot different innovative models”**

## Bruke Yemane

Company Name	Ethio-Feed - Innovative Feed Solution Project
Geographic Location	Wonji, Bako (Ano) and Endemehoni
Area of Business	Production and marketing Innovative Feed through Franchise Model
Financials	<ul style="list-style-type: none"> <li>Initial investment capital from owners: 3,500,000 ETB</li> </ul>
Target Market	Domestic market
Social Value Creation	Anticipated to benefit over 150 farmers in Endemehoni through Lemlem Raya Dairy Union, 20-25 youth and women at Wonjy Sugar Factory and 250-300 farmers at Ano Agro Industry and surrounding areas.
Impact on the value chain	Improve farmers' accessibility to better quality and affordable formulated ration through partnering with other dairy actors
Support provided by ESAI	<ul style="list-style-type: none"> <li>Designed the franchise business model and concept note</li> <li>Pre-feasibility studies in Bako, Wonji, and Mehoni to assess the viability of the franchise model.</li> <li>Linked and identified partners at Bako (Ano), Menohi and Wonji.</li> <li>Designed guideline for the franchise model's operations</li> <li>In the process of applying for Ethiopian Competitiveness Facility grant USD 40,0000.</li> <li>Capacity building – training on entrepreneurship, leadership and management, access to finance, taxation, quality and standard and international trade.</li> </ul>

## About Precise Consult International PLC

Precise Consult International (PCI) is a premiere management consulting firm specializing in the provision of business, investment, and finance advisory services, in private sector development and in economic analysis to enterprises, to international development agencies and to the government. PCI is the lead implementer of USAID funded project; Ethiopia Sustainable Agribusiness Incubator (ESAI).

## What is ESAI?

Ethiopian Sustainable Agribusiness Incubator (ESAI) is the first of its kind Agribusiness incubation center in Ethiopia. It was established under a cooperative agreement between USAID-Ethiopia and Precise Consult International (PCI) in 2012. ESAI is designed to create wealth in rural areas through enhancing the role of the private sector in value addition and increased investment in three subsectors namely sesame, honey and dairy.

The project involves identifying and supporting pioneer firms in the selected three sub-sectors. These pioneering businesses serve as test beds for the formation of sector wide value addition and as demonstration platforms for new business models that link farms to market in new and more valuable ways. ESAI also aims to stimulate and promote emerging dynamic entrepreneurs and nurture the creation of their innovative businesses.



### **Precise Consult International PLC**

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