

**POTENTIAL FOR COMMERCIALIZATION OF APICULTURE AS A BIOFIN LIVELIHOOD OPTION IN ANURADHAPURA DISTRICT**

**H.T.O.P. de Silva<sup>1</sup>, N.M.K.C. Premarathne<sup>1</sup>, and Y. Mapatuna<sup>2</sup>**

<sup>1</sup>*Department of Agricultural Systems, Faculty of Agriculture, Rajarata University of Sri Lanka, Anuradhapura, Sri Lanka.*

<sup>2</sup>*Smallholder Agribusiness Partnerships Programme, Sri Jayawardenepura Road, Rajagiriya, Sri Lanka.*

Apiculture is the scientific management of honeybees, which provides an environmentally friendly livelihood option. The honeybees play a key role in the ecosystems by supporting to pollination and food production. However, modern agricultural practices have threatened the survival of honeybees. Therefore, conservation, rearing and management have been taken due attention. The study was carried out to assess the suitability of apiculture as a (Biodiversity Finance –BIOFIN) livelihood option and to design a value chain for the community in *Anuradhapura* district. The study used a randomly selected sample of 130 respondents representing 50 fruit or vegetable farmers in *Palugaswewa*, and 30 value chain actors for the analysis. Also, 50 beekeepers from *Bandarawela* were purposely selected to study the existing bee honey value chain. The data collection was done using a pretested structured questionnaire. Binary logistic regression was used to identify the factors affecting farmers' willingness on apiculture. Further, a SWOT analysis and value chain analysis were conducted. The regression results revealed that, land size ( $p=0.015$ ), and credit access ( $p=0.041$ ) have positive impacts, while gender ( $p=0.012$ ), has a negative impact on farmers' willingness at 5% significance level. According to the SWOT analysis, land availability and obtainability of bee colonies are the strengths. Among the weaknesses, the need of specific skills and low access to inputs like bee hives have been identified. Moreover, the demand for dry zone bee honey was identified as an opportunity while deforestation and over-application of pesticides were identified as threats. The study finds that beekeeper- processor-local consumers are the stakeholders of the market chain for bee honey. The processors obtain the highest gross margin and market margin. Results conclude that apiculture can be used as a BIOFIN livelihood option by providing sufficient knowledge and training, developing an input supply system, introducing value addition, and marketing linkages.

**Keywords:** Apiculture, Bee honey, BIOFIN, Value chain