

CHAPTER I

INTRODUCTION

1.1 Background of the Study

A developing land locked country Nepal, has so many barriers in the way of improving the economic condition of the country. About seventy percent of the area of the country is covered by the hill and mountain region so that although it has some specific properties it is being the major barrier in establishing in the foundation of development. To make a good and drastic change in the economic status of the peoples of the country, it is only possible through the way of agricultural resonances by investigating and investing in resent technologies, ideas, skills as well as seeds including commercial animal husbandry.

Goats are among the main meat producing animals in Nepal, whose meat is one of the choicest meat and has huge domestic demand. Besides meat, goats provide other products like milk, skin, fiber and manure. Goats are important part of rural economy of the country. They provide food and nutritional security to the millions of marginal and small farmers and agricultural labors. However, the productivity of goats under the prevailing traditional production systems is very low (Singh and Kumar, 2007). It is because they are maintained under the extensive system on natural vegetation on degraded common grazing lands and tree lopping. Even these degraded grazing resources are shrinking continuously. So, rearing of goats under intensive system using improved technologies for commercial production has become imperative to meet the increasing demand of the goat meat in the domestic as well as international markets. In the context of Nepal, the main sources of meat are our neighboring country like India. Large amount of money is going out of the country day by day for the availability of the meat in the country. So if we can develop the commercial idea in goat farming, no doubt it will not only stop to pay large amount of money to out of the country, will also create various opportunities of

employment and ultimately contribute to raise the economic status of the farmer leading to the nation.

Due to the fast socio- economic changes in the recent past, a rapid shift has taken place in the dietary habits in the favor of non-vegetarian diet. As a result, the demand for goat and sheep meat has swiftly increased and the domestic market price for mutton has risen. Moreover, huge expected increase in the demand of meat in developing countries, especially in the east and south East Asia in the next 20 years presents an excellent opportunities for exchanging export of live goats/ sheep and their meat from Indian countries (Dalgado et al., 1999). Responding to the market signals, the goat production system in Nepal has been slowly moving from extensive to intensive system of management for commercial production. However, in the absence of any systematic study, there have been questions from the entrepreneurs, progressive farmers and even researchers on the economic viability and sustainability of commercial goat farming under intensive system. Even though the history of goat rearing in home is long, no information is available on the socio-economic aspects of commercial goat farming in the country. This study is planning to address the issues related to commercial goat farming in the country. The present paper has thus analyzed the prospects including the problems of the commercialization of goat farming in the country.

1.2 Statement of the Problem

Nowadays, large group of young people are highly interested in the field of commercialization in agriculture, especially in animal husbandry. In this process, some of the young farmers are being very much successful in their way but some of them are losing their investment as well. There is nothing in the world without any risks and challenges. So that a good entrepreneur is one who can face the challenges in better way. So it is highly beneficial to have deep study about the various problems and prospects to be a successful entrepreneur.

Especially in commercialization in goat farming, there are so many problems and obstacles as well as many opportunities. Normally people have a kind of fear of losing the investment because of various problems regarding with this profession. Basically, a beginning entrepreneur does not have any idea about the developed caste of goat with their feeding process. Even they have some idea there is a kind of compulsion to be limited within the traditional framework because of the lack of fund. There is also the problem as well the prospects of market.

In this way, what is the present status of commercial goat farming in study area? and how this playing role in enriching the socio-economic status of the farmer? How much investment is required as corresponding to the number of the goat? What kind of climate is required for this occupation? What would be the physical setting of the farm? How to manage the feed for the goat? What are the different kinds of the disease regarding with the goat? Where is the market of the produced goat? What is the status of goat farming in the context of Phakphokthum Rural Municipality Ward No.6? What will be the socio-economic effect of this farming? are considered as the major problems of the study and the study also intended to get the different supporting and contrasting factors for the commercial goat farming in the context of Phakphokthum Rural Municipality Ward No.6 of Ilam district.

1.3 Objectives of the Study

The study has the following the objectives.

1. To analyze the socio economic impact of commercial goat farming in study area.
2. To find out the major problems of goat farming in the study area.
3. To analyze the prospects of goat farming in the study area.

1.4 Significances of the Study

It is very most important to know a lot about different supporting and constraining factor in which we are planning to get involved to be a successful entrepreneur. So that the research will certainly be beneficial to all the related stakeholders who are interested in the field of animal husbandry. This study will very much fruitful to know about the different problems and prospects of commercial goat farming so that a beginning entrepreneur may plan well.

The findings of the study may be useful for the planner, policy maker and implementers, project leaders, Government officials as well as change agent in the field of animal husbandry. The study may also be useful for the future researcher particularly in the study area.

1.5 Limitations of the study

The study has the following limitations.

1. The result of the study cannot be generalized in other animals husbandry and other the places except the Phakphokthum Rural Municipality Ward No.6 of Ilam district.
2. The information given by respondents were taken directly as the final data of the study.
3. The farmers which are rearing at least 20 goats in their home are selected as the respondent of the study.
4. The respondent selected in the sample should have the experience of same occupation from at least two years before.
5. Due to the lack of time, resources and money the study is limited to Phakphokthum Rural Municipality Ward No.6 of Ilam district.

1.6 Organization of the Study

This study has five chapters. The first chapter presents the introduction of the study. It includes the general background of the study, statement of the

problem, objective of the study, Significance of the study, limitations of study and organization of the study.

The second chapter relates to the review of related literature, it includes the conceptual and empirical review, policy review related to the goat farming in national and international level. The third chapter deals research methodology; it includes the study area, research design, nature and source of data, sample size and sampling procedures, data collection procedure and data processing and analysis. Fourth chapter deals about the data presentation and its analysis. It includes the general background of the study area, income structures of respondents and socio-economic characteristics of the respondents, different problems and prospects of commercial goat farming based on primary data. The fifth chapter is the conclusion part of the study. It contains the summary, conclusion and recommendations.

CHAPTER II

REVIEW OF LITERATURE

2.1 Goat Farming in Nepal

Goat farming in Nepal started years ago but commercial goat farming in Nepal recently going to be practice by some farmers. Goat farming has been practiced by a large section of population in rural areas of Nepal. Goat farming is a profitable business with a low investment because of its multi functional utility like meat and milk that are very nutritious. Goats are the widely used and most important livestock in Nepal, most of the goat farms are to produce goat meat there is not any dairy goat farms in Nepal.

Small ruminants (sheep and goats) are essential components of the mixed farming systems in the hills of Nepal, and are found in all parts of country. They are mainly kept for meat, although wool (sheep), fibre (goats) and manure are also important products from these animals. In the present subsistence farming system of the hills, farmers have little surplus agricultural produce to sell and so depend upon the sale of livestock and their products as a source of income. However, because of their inherent ability to utilize mountain terrain, unsuitable for crop farming, a high proportion of sheep and goats are found in the hills. Resource-poor farmers of the hills, who cannot invest large sums of money in cattle and buffalo, prefer sheep and goat husbandry which has no social, religious or cultural taboos, or caste restrictions.

According as the report of the CPDD there were 9.51 million goats in Nepal within the end of 2015 in which the rate of growth was 5.70 % than last year which is largely greater than other livestock. In same way with in the year of 2015, 53956 metric ton meat of goat were consumed which is in the second position after buffalo.

2.2 Policy Review related to Livestock farming

Nepal is in the process of transforming its government from a unitary system to a federal democratic structure through the new constitution, offering the opportunity to bring a new set of priorities and stakeholders to policymaking. About 66 percent of its population is involved in agriculture, which accounts for 35 percent of the gross domestic product or GDP (National Sample Census of Agriculture-2011/12, 2013). The livestock subsector of agriculture contributes 24 percent of the total agricultural GDP (Ads Assessment Report, Agricultural Development Strategy Assessment, 2012), and also plays important roles in human food and nutritional security, livelihood, regional balance, gender mainstreaming, and rural poverty alleviation (ILO, 2004). Yet, there is no separate national livestock policy in Nepal, and instead, its national livestock-related policies are spread across agriculture and other sectors. Some major policies related to livestock farming under different heading are reviewed.

National Agriculture Policy (NAP), 2004

The NAP, 2004 adopts a long-term vision oriented towards transforming the current subsistence-oriented farming system into a commercial and competitive one. The NAP aims to contribute to ensuring food security and poverty alleviation. Its objectives are below.

- a. To increase agricultural production and productivity,
- b. To develop the basis of a commercial farming system and make it competitive in the regional and world markets, and
- c. To conserve, promote and properly utilize natural resources, as well as the environment and bio-diversity.

The policies of the NAP provided for achieving its objectives include.

- a. to ensure the needs of farmers with access to resources and with comparatively less access to resources,

- b. to provide special facilities by classifying farmers into those having less than half a hectare of land and lacking irrigation facilities, those belonging to dalit (so-called untouchable) and utpidit(downtrodden, underprivileged) classes and other marginal farmers and agricultural workers.

The Policy gives special priority to a set of high-value agricultural products, and seeks to develop commercial and competitive farming systems by a gradual extension of livestock insurance programs and organic farming. Overall, the NAP, 2004 has the merit of being decentralization-based, friendly to small-holder farmers of livestock, and inclusive of untouchables, marginalized groups and poor communities, Policy on commercializing different agro-products and attracting investors in agriculture.

Forestry Sector Policy, 2000 (Forest Policy, 2000)

The Forestry Sector Policy, 2000 is mainly concerned with the farmers for the use of forests to graze livestock and to collect fodder to feed livestock. The policy simplified the process of handover of institutional as well as group leasehold forestry to Community Forestry User Groups (CFUGs) and has stressed integration of the leasehold forestry program to local community development. The Policy recommended commercial management for forests in larger blocks in Terai and inner Terai districts. The Policy aims to base livestock quantities on the amount of fodder production and highland pasture so as to improve forest management and increase the production of fodder by community efforts.

Rangeland Policy, 2012

The Policy defines rangeland as natural pasture land, grassland and shrub-land. It aims to increase productivity by improving forage/grass productivity, to protect livestock farmers' traditional rights for pasturing livestock in community rangeland and forest. The Policy seeks to secure the facilities

traditionally enjoyed by livestock farmers using range-lands located within community forests. The Policy identifies provisions to collect and conserve the green forage (grass) during the rainy season and winter and dry seasons in order to ensure continuous supply of cattle feed round the year. The Policy seeks to determine livestock density on the basis of capacity of the rangelands for minimizing the grazing competition and pressure of both domesticated and wild animals, and imposes charges or penalties on cattle for using rangeland with the goal of limiting unproductive cattle on the rangeland.

Livestock Insurance Policy and Agriculture and Livestock Insurance Regulations (2013)

Livestock insurance is extremely important, as livestock husbandry is risky, particularly for small and low-income farmers who face financial ruin in case of theft, injury, illness or death of an animal. According to DOLS, premature mortality is about 2 percent to 3 percent per annum for cattle and buffalo and considerably higher for small ruminants and pigs. Livestock insurance helps livestock farmers to cope with such risks, and facilitates farmers' access to finance by increasing their creditworthiness. Although general insurance was introduced in Nepal in 1937 after the establishment of Nepal Bank Ltd, the country's first commercial bank, and the National Insurance Corporation was established in 1967, livestock insurance began only in 1987 in form of livestock credit or micro-finance guarantee insurance against animal mortality and loss. In Nepal, many organizations provide livestock insurance services on a limited scale; they include the Small Farmers' Development Bank (SFDB), Micro-Finance Institutions (MFI), Community Livestock Development Projects (CLDPs) sponsored community-based organization (CBOs) and Financial Intermediary Non-Governmental Organizations (FI-NGOs) which are not regulated by the Insurance Board (IB), the national-level regulating body.

This gap should be addressed by a proper policy mechanism. In recognition of the need of systematizing livestock insurance, Nepal introduced Livestock

Insurance Regulation and a Livestock Insurance Policy. The Livestock Insurance Regulation under the Insurance Board aims at encouraging financial institutions to finance more agricultural projects, as most financial institutions abstain from extending loans and advances to livestock and agricultural projects in the absence of proper insurance coverage. The Agriculture and Livestock Insurance Directive makes it obligatory for non-life insurance companies to issue insurance policies on livestock, crops and poultry.

National Land Use Policy, 2012

The Policy aims to encourage optimal use of land for agriculture by classifying the country's land territory into seven land use categories—agricultural, forest, residential, commercial, public, industrial, and others. Land in the agriculture category is for agricultural cultivation, livestock farming, and tree plantation. The Policy also aims to increase agricultural productivity by systematizing land fragmentation and by adopting a land pooling system. The goal is to encourage commercial, cooperative and contractual farming. This is the policy to allocate land for agricultural purposes including livestock farming. The Policy also aims to increase agricultural productivity by controlling and fragmentation, systematizing land pooling activities, and encouraging commercial, cooperative and contractual farming

Animal Health Program Implementation Procedure, 2013 and Animal Health and Livestock Services Act, 1999

The policy rightly aims at promoting production, distribution, consumption and export of healthy livestock and making animal-health related programs more effective, as these functional areas are crucial in livestock management.

Birds Rearing Policy, 2011

The policy was issued within the framework of National Agriculture Policy (NAP), 2004 and Agri-business Promotion Policy, 2006. The policy covers the poultry business, encompassing chickens, cocks, hens, ducks, turkeys, quails

and other local bird species. It plans to make the poultry business more productive, competitive and sustainable by improved quality of chicks through well-managed hatchery and rearing as well as by systematizing distribution of poultry products.

Approach Paper to 13th Plan and Agriculture/Livestock Development Policies

The Approach Paper to 13th plan (2013/14–2015/16) has made provisions for the livestock sub-sectoral development by including it in objectives, strategies and operating policies. The agricultural sector objectives set in the Approach Paper to the 13th Plan are.

- a. To increase the production and productivity of crops and livestock products.
- b. To make crops and livestock products competitive and commercial.
- c. To develop and disseminate environment-friendly agro-technologies to minimize the adverse impacts of climate change.
- d. To conserve, promote and utilize agro-biodiversity.

The sectoral strategies for achieving the objectives are directed towards.

- a. Promoting commercialization and diversification of agriculture and livestock.
- b. Developing crop and livestock industries and enhancing their product quality.
- c. Encouraging youths to take up commercial farming as a prestigious profession.
- d. Promoting agricultural and livestock marketing.

The operating policies to achieve the mentioned objectives are set as follows.

- a. To expand promoting campaigns regarding artificial insemination and fodder and forage plantation.

- b. To develop rural infrastructures such as agro-roads, electricity, and communications.
- c. To develop agricultural marketing network including livestock wholesale markets and hat bazaars (open-air retail markets), and expand access of livestock information at local levels.
- d. To develop technical manpower for agricultural sector and provide entrepreneurship and skill development training required for agro-business.
- e. To encourage production of high quality seeds, high-yielding breeds and vaccination, and to develop bio-pesticides to treat animal for parasites.
- f. To make provisions for livestock insurance, concessional agricultural loans, subsidy on livestock related industrial equipment and tax rebate on trade to small and marginalized farmers, entrepreneurs and business people.
- g. To promote contract and cooperative farming with involvement of private entrepreneurs and cooperative sectors.
- h. To establish agriculture and livestock extension centers under the local bodies.
- i. To strengthen livestock related laboratories.

2.3 Gaps between Policy and Implementation

National policy is a broad course of action adopted by the government in pursuit of its objectives. Nepal has already a rich body of policies in favor of agriculture. The National Agriculture Policy and the Approach Paper to the 13th Plan emphasize the central role of agriculture. Nevertheless, formulation of some important policies has been excessively delayed.

Even though it has many attractive policies they are not yet as expected, the reasons behind this may be lack of supportive adequate legislation (acts), rules and regulations for credible enforcement, Inadequate resource allocation, Ineffective coordination, Irregular and weak policy and program monitoring

and evaluation, Lack of climate change monitoring, Limited human resources and implementation capacity, and Lack of continuity in leadership (short tenures of ministers and secretaries). Therefore, the related officials should to give primary emphasis on the proper implementation of already formulated plan and policies.

2.4 Empirical Review

Kumar (2007) did a research on the title ‘Goat Farming in India: An emerging Agribusiness Opportunity’ with the objectives of to know about the different prospects commercialization in goat farming. The status, economics and prospects of commercialization of goat production in the country have been analyzed using primary data from eight commercial goat farms in different states. It has been revealed that several large and progressive farmers, businessman and industrialists have adopted commercial goat farming. The entry of large farmers, who have better access to technical knowledge, resources and market, into these activities would help in realizing the potentials of goat enterprise. A majority of commercial goat farms have been found operating with positive net returns. Goat rearing has been found equally rewarding under birth intensive and semi- intensive systems of management. Intensification and commercialization of goat enterprise has been recorded important because of shrinking of resources for extensive grazing. Commercialization would help in increasing the goat productivity and bridging the demand- supply gap.

The meat of goat is one of the most demanded and healthiest meats than other. According to the USDA, goat meat is 50%-60% lower in fat than similarly prepared beef, but has similar protein content. The US department of agriculture also has reported that saturated fat in cooked goat meat is 40% less than that of chicken, even with the skin removed.

Table 2.1
Amount of fat, calories, protein and iron in different types
of cooked meat

3 oz. cooked (Roasted)	Calories	Fat (Gr.)	Saturated fat (GR.)	Protein (Mg.)	Iron (Gr.)
Goat	122	2.58	.79	23	3.3
Beef	245	16	6.8	23	2.9
Pork	310	24	8.7	21	2.7
Lamb	235	16	7.3	22	1.4
Chicken	210	3.5	1.1	21	1.5

Sources: USDA, Handbook 8, 1989, Nutrition value of food

The table 2.1 clearly shows that the goat meat is the healthiest meat than other, it has comparatively less fat and calories than other meat but it has more protein and iron than other.

Sereshine and Marapana (2011) have conducted a research in Shree Lanka entitled 'Goat Farming Systems in the Southern province of Shree Lanka: Feeding and management strategies' with the aim to identify the different feeding and management strategies for goat farming. A survey (N= 276) was carried out to gather information on the goat farming systems in three districts in the Southern province of Shree Lanka. The objective was to identify the prospects and constrains to improve the economic productivity of the herd. Goats were ranked highest in population and second in terms of importance to the house hold. Buddhist were dominated in goat rearing while selling of live goats for meat production was popular in all three districts. Kid mortality become serious threat which was mainly due lack of nourishment for kids during early growth, susceptibility to contagious diseases etc. There was as

increased risk of an epidemic outbreak in all districts due to their generally low health status. Employing bio-diversity based concepts in feeding was more prominent in all districts. Despite the least attention to goat production, breeding improvement, introduce more strategic feeding during season and health care should be improved and proper marketing facilities should be organized. Recommendation to overcome this situation would be to educate farmers on scientific goat management practices.

Terefa, et al. (2004) have conducted a research on the topic 'Goat production and live hood in sekhukhune district of the Limpopo Province South Africa' with the objectives to find ways to transform the current subsistence system of producing indigenous goats by communal households in Sekhukhune District in the Limpopo Province of South Africa into a viable system of producing, processing and marketing goats and their by-products through formal markets. An exploration of the problem situation was done through the Agricultural Research for Development (ARD) method developed by the International Centre for development oriented Research in Agriculture (ICRA), an organization based in The Netherlands. The field study phase was characterized by village participatory approaches in the form of village meetings, focus group meetings, interviews with key informants, exploration of the area's natural resources through maps and transect walks, activity calendars, and several stakeholder workshops. In order to verify secondary data, information on livelihood options was collected through questionnaires at the household level. Current production and marketing systems were analyzed. Stakeholder perceptions on problems and solutions were documented. Finally, future plans were proposed. Results show that less than 25% of the households in Sekhukhune do own goats. Goat numbers range from 1 to over 200 per household. Goats are more common than other livestock (twice as many as sheep and almost three times as many as cattle). Farmers are not commercializing because the set-up of the goat industry does not promote commercialization. The study concludes that

a two-phased action plan needs to be implemented in order to commercialize goats and their by-products.

Phase I: Establishing the market linkage by formation of a co-operative of the communal goat farmers.

Phase II: Improving the productivity of goats by targeted group approaches to address the needs of specific groups, taking into account their current socio-economic conditions.

CHAPTER III

METHODOLOGY

Methodology is a useful bridge to solve the research problem in systematic way. It describes the methods and process applied to the entire aspect of the study. In other words, methodology is the way to gather information. Different tools and techniques are used in different phase of this study. Thus the framework of methodology contains population, sample, instrument, data collection procedure and data analysis procedure. This chapter shows the design of plan and procedure of the study. It determines the size of sample, method of sampling sources, methods of techniques of data collection, instrument of data collection and procedure of data analysis.

3.1 Research Design

The design of the study is exploratory and descriptive in nature because the study has focused on income, status and opportunities including different problems and status of goat farming in Phakphokthum Rural Municipality Ward No.6 of Ilam district. Research design refers to the procedures for the collection of data and its analysis. This study has analyzed all the information collected by field survey.

3.2 Nature and Sources of Data

This study mainly based on primary and secondary data.

A. Primary Data

The study mainly focused in collecting primary data from the sample selected from Phakphokthum Rural Municipality Ward No.6 of Ilam district. The primary data are both qualitative and quantitative by schedule structured questionnaire including informal interviews and semi-structured questionnaire.

B. Secondary Data

All the secondary data were collected from different published and unpublished official records, reports of government and non-government organizations.

3.3 Study Area

Ilam District is located in Eastern part of province 1 of Nepal .which is taken as the sample area of the study this is because Ilam district is supposed as the most potential district for animal husbandry and for agricultural sector. Especially, Phakphokthum Rural Municipality Ward No.6 is taken as the sample for the study.

3.4 Universe and Sampling

The total population of Phakphokthum Rural Municipality Ward No.6 is 1800 under 340 households. Among them 50 households conduct commercial goat farming, which was considered as the total population of the study. The selection of the sample was done by using simple random sampling method of sampling. From those households which are rearing at least 20 goats in their home for commercial purpose were taken as the sample for the study. All together 20 households were selected.

3.5 Data Collection Techniques and Tools

To collect the data regarding the socio-economic impact of commercial goat farming, the researcher visited the sampled farmers with structured questionnaires and informal interview. Field visit and observation were used as the supportive techniques and tools for the study. The researcher followed the flowing techniques and tools in particular.

3.5.1 Survey Questionnaire

In this research, the researcher collected the information about the status and socio-economic impact of commercial goat farming as well as to know its

supporting and contrasting factors with the help of structured and unstructured questionnaire.

3.5.2 Observation

An observation was also done towards the structure of the goat rearing place of the sampled farmer to collect the information about environment, grass planting, feeding, and physical setting of the form.

3.5.3 Interview

An informal interview was done to know further about the supporting and constraining factors of commercial goat farming.

CHAPTER IV

DATA PRESENTATION AND ANALYSIS

4.1 Introduction to Study Area

Ilam attracts many researchers who come to study rare birds and the Red Panda. Ilam stretches from the Terai belt to the upper hilly belt of this Himalayan nation.

The name Ilam is derived from the Limbu language in which "Ii" means twisted and "Lam" means road. Illam was one of the ten self ruling states of Limbuwan before the reunification of Nepal. Its ruler King Hangshu Phuba Kingdom of Kingdom dynasty ruled Illam as a confederate state of Limbuwan until 1813 AD. The treaty between the other Limbuwan states and the King of Gorkha (Gorkha-Limbuwan Treaty of 1774 AD) and the conflict of Gorkha and Sikkim led to the unification of Illam with Gorkha. Illam was the last of the ten kingdoms of Limbuwan to be reunified into Nepal. The King of Gorkha gave the ruler of Illam full autonomy to rule and the right of Kipat. Illam was an independent Limbu kingdom until 1813 CE/1869 BS.

Ilam is today one of the most developed places in Nepal. Its ILAM TEA is very famous and is exported to many parts of Europe. The main source of income in this district is tea, cardamom, milk, ginger, potato, orlon, and broom production on a large scale.

This place also has a religious importance. The devi temples have a great importance attached to them and many people come here just for pilgrimage.

The major attraction of Ilam is the 9-cornered Mai Pokhari lake. Also known as the abode of the goddess lots of tourists as well as Nepalese people come to visit this place. Similarly, Gajurmukhi is also the religious spot for pilgrimages from Nepal and India. Mai river and its four tributaries also emerge in Ilam district. The famous Mane Bhanjyang (Mane pass) connects Ilam with Darjeeling district of West Bengal, India. Antu Pond, reflecting the color of its surroundings.

Ilam district is located in Eastern part of province 1 of Nepal. It is well known as "Hill Queen" of Nepal. It is a naturally gifted district. Different hills, forests and rivers add the natural beauty of Ilam. Ilam is one of the most important touristic destinations of Nepal. Gajurmukhi, Maipokhari, Sandakpur, Shree Antu, Mini Pathibhara, Mansebung and different tea gardens are the main places for tourists. Ilam district is not only famous for its natural beauty but also for its agricultural products. Tea, potato, zinger, cardamom, Aakabare Khursani, milk and milk products are the main agricultural products of this district. These productions are sold in different parts of our country and to the different parts of India like Darjeling, Sikkim, Bihar as well. So Ilam is a highly potential district for both tourism and agriculture. Having such potentiality, Ilam has not developed up to the required level in both tourism and agricultural fields.

Phakphokthum Rural Municipality is located in the western part of Ilam district, which is divided into different seven wards. Ward no. 6 of this Rural Municipality had been taken as the study area. This area consists of 1800 population with 340 households. Most of the people of this area depends on agriculture. Farming, goat farming, vegetable farming are the common agricultural activities of this area. Tea, cardamom, zinger, chilly, milk, vegetables and goat and goat related products are the main products of this area. Most of the people conduct such activities for survival. Limited numbers of people conduct commercial farming.

Phakphokthum is a rural municipality out of six rural municipality located in Ilam District of Province No.1 of Nepal. There are a total of 10 municipalities in Ilam in which 4 are urban and 6 are rural.

According to Ministry of Federal Affairs & Local Development Phakphokthum has an area of 108.79 square kilometres (42.00 sq mi) and the total population of the municipality is 21619 as of Census of Nepal 2011.

Formerly Phakphokthum was a village development committee named Phakphok located in Ilam District in the Mechi Zone of eastern Nepal.

Fulfilling the requirement of the new Constitution of Nepal 2015, Ministry of Federal Affairs and Local Development replaced all old VDCs and Municipalities into 753 new local level body (Municipality), thus Phakphok turned into rural municipality as Phakphokthum and the adjoining village development committees added to this. The adjoining VDCs added to this were: Amchok, Phuyatappa, Lumde, Ektappa and Chamaita. Currently, it has a total of 7 wards and Phakphok is the headquarter of this new formed rural municipality. Phakphokthum lies in the constituency number 2 of Ilam district. From this rural municipality, Mr. Subash Nemwang was elected as a member of parliament in the election of 2017. This is one of the remotest villages of the District.

The Damak-Rabi Phagunanda Highway connects the municipality through shortest way with the southern plains. The span of the highway is about 45 km. The highway usually obstructs during the rainy season.

The major occupation of the people in this municipality is Agriculture. Nowadays many of the youths are in foreign employment, due to which there is scarcity of labour force.

Ilam is one of the most potential districts for different kinds of agri-business and tourism. Recently, many young entrepreneurs are highly motivated to get involved in some kind of livestock business like; goat farming, cow farming, chicken farm, fish farm, pig farm etc...out of these livestock, goat farming is one of the oldest business in Phakphokthum Rural Municipality Ward No.6 of Ilam district. Even the history of big goat farm in Ilam district is not so long, people used to keep few goats in their house for the purpose of personal use or bussinessial point of view since many years. We can see the direct impact of such of goat farming in their economic activities. So that, there are many people who are running their families with the help of money which they used to get from such business of the goat.

4.2 Phakphokthum Rural Municipality Ward No.6: A model of Success in Agri-business

Phakphokthum Rural Municipality Ward No.6 is about 50 Km west from headquarter Ilam Bazar. The study area is one of the historical places for agri-business and serves as a gateway for the thousands of internal and external tourists every year. The area with numbers of hotels and natural beauties is a popular internal and external tourist destination from many years.

Because of having a bit more access of grazing for goat, Phakphokthum Rural Municipality Ward No.6 is one of the most potential areas for goat farming. Most of the families used to rear some goats in their home in the study area with the hope of having some sort of support to make domestic expenses.

4.3 Population status of Age Group

Nepal is an agro- based society. Labor contribution is an important part of the country. So age structure of the population plays a significant role in the agri-business. Here, the age group of the people is categorized in to different groups.

Table 4.1

Numbers of respondents in different age groups

Age group	Male	Female
15-20	0	1
20-25	1	1
25-30	1	2
30-35	2	3
35- 40	2	2
40-45	1	0

45-50	0	1
50-55	0	1
55-60	1	0
Above 60	0	1
Total	8	12

Source: Field Survey 2018

The table 4.1 shows age wise population of respondents in the study area. Out of 20 respondents, 8 are male and 12 are female. According to the table, the maximum number of the people lies on the active group of the people which means that the study area contains huge number of active population.

4.4 Population based on their mother tongue

According to their mother tongue of sampled households it is found that there were many ethnic groups and their own languages. The distribution of the respondents on the basis of their mother tongue languages of this study area is as table 4.2.

Table 4.2

Sampled Population based on their mother tongue in study area

Mother Tongue	Total	Percentage
Nepali	16	80
Limbu	3	15
Magar	1	5
Total	20	100

Source: Field Survey 2018

The table 4.2 shows that, around 80% of the people of this study area used to speak Nepali. 15% of people speak Limbu and 1% speak Magar.

4.5 Family Size

There are 20 sampled families in the study area. Most of them are lead by male. The following table shows the average family size of the study area.

Table 4.3
Family size of Respondents

Gender	Number of member
Male	46
Female	50
Family size	4.80

Source: Field Survey 2018

From the table 4.3, in the sampled area, there are 20 households in total which contribute to have 96 populations in total so that the average family size of respondents is 4.80.

4.6 Number of family based on occupation

Occupation structure implies that the earning pattern of the people. Nepal is agriculture country; most of the people depend up on this sector. Most of the people are directly and indirectly involved in agriculture. This study also attempt to find out the present occupational status of the house hoods.

Table 4.4

Family number based on occupation

Occupation	Number of households	Percentage
Agriculture	15	75
Government service	1	5
Business	1	5
Foreign Employment	1	5
Wages	1	5
Other	1	5
Total	20	100

Source: Field Survey 2018

Table 4.4 shows 75% people follows agriculture as occupation, 5% people follows government service, 5 % people have adopted business, 5% people follows foreign employment, 5 % people go for daily wages and remaining people have other occupation.

4.7 Population Based on Education

Education level is the indicator of all kind of status of the society. The following tables show the academic status respondents.

Table 4.5
Educational status of respondents

Gender	Population	Can read and write	Can read only	Cannot read and write	Literacy rate
Male	8	5	2	1	87.5
Female	12	8	2	2	83.3
Total	20	13	4	3	85

Source: Field Survey 2018

The table 4.5 shows that about 87.5% in male got literate and around 83.3% in female were literate among respondents. In total 85% of respondents are literate.

4.8 Background of Population and Educational Level of sampled households

The population and educational level of the respondents can be explained as follows.

4.8.1 Background of Population

The total population of 20 sampled households is 96. The distribution of population of the sampled household in the study area according to their age is shown in the following table 4.6.

Table 4.6
Distribution of Age-wise Population Composition

Age-group	Male	Female	Total	Percentage
Below 5	2	3	5	5.21
5-10	1	2	3	3.12
10-15	2	2	4	4.17
15-20	6	7	13	13.54
20-25	6	6	12	12.50
25-30	5	5	10	10.42
30-35	6	7	13	13.54
35-40	3	3	6	6.25
40-45	4	5	9	9.37
45-50	4	4	8	8.33
50-55	2	2	4	4.17
55-60	3	2	5	5.21
60 and above	2	2	4	4.17
Total	46	50	96	100

Source: Field Survey 2018

The table 4.6 represents the distribution of the population according to their age in the sampled households. In which 12.5% of people are below 15 and only 4.17% of people are above 60 and remaining all people lie in the age between 15 to 59. It could be seen that, majority of the people in the study are of the

working age. Because of maximum number of the people in the study are physically strong, it can be assumed that there could be so many young entrepreneur in the various field so obvious in agri-business.

4.8.2 Background of the Education

The distribution of the population in the sampled households according to their academic qualification is shown in the following table:

Table 4.7
Distribution of Education wise Population Composition

Education Level	Male	Female	Total	Percentage
Illiterate	2	4	6	6.25
Under SLC	8	16	24	25.00
SLC	10	14	24	25.00
Intermediate	15	14	29	30.20
Diploma	9	2	11	11.45
Master	2	0	2	2.10
Total	46	50	96	100

Source: Field Survey 2018

The table 4.7 shows that about 83.75% of the total population of the sampled households got literate. The academic qualification of the people got varies, among the literate people 25% are under SLC, 25% have just passed SLC, 30.20% of the people have passed Intermediate, 11.45% have passed Diploma and 2.10% of the people have passed Master in some subjects. Only 6.25% of the people were got illiterate, most of which are also trying to be literate through various education program.

4.9 Land Holding by Sampled Household

The researcher has observed that all the participants have cultivated land and it is also observed that there was not any barren land. All the land is used for producing seasonable food items. Out of the total land it is estimated that 10% of the land is occupied by residential buildings and animal farm. The amounts of the land (in Ropani) that are holding by the sampled households are found as.

Table 4.8

Land holding by sampled households

Land (in Ropani)	No. of house holds	Percentage	Average land holded by a sampled household (Approximately)
0-10	1	5	34.5
10-20	2	10	
20-30	4	20	
30-40	7	35	
40-50	3	15	
50-60	2	10	
Above 60	1	5	
Total	20	100	

Source: Field Survey 2018

The table 4.8 shows that very few (5 %) people have the land less than 10 Ropani. 10% of the sample households have the land between 10-20 Ropani while 20% of the sampled households have the land 20-30 Ropani. Similarly, 35% of the households have the land 30-40 Ropani while 15% of the people have 40 -50 Ropani. Likewise 10% of people have 50-60 Ropani and 5% of

people have more than 60 Ropani. It seems that from the table, about 55% of the sampled households have the land from 20-40 Ropani which seems to be quite sufficient for normal food for a family of about 5 people. In an average, the area of the land that the people holding are satisfactory to consume the food for the family and it is also found that those families which do not have sufficient land to cultivate they used to take the land in rent (Adhiya, Bandaki). Although the distribution of the lands is not equivalent and sufficient it seems to be satisfactory in the sampled area.

4.10 Production of the Crops in the sampled area

Phakphokthum Rural Municipality Ward No.6 is one of the potential areas for the production because of its fertile mud, irrigation facility, productive manpower, facility of fertilizer, developed seeds of crops etc. The average production of different crops in the sampled households is given in the table below.

Table 4.9
Different types of production by sample households

Types of Production	Production (Quintal)	Percentage
Paddy	300	8.82
Wheat	150	4.41
Maize	550	16.17
Cardamom	320	9.42
Zinger	1000	29.41
Broom grass	750	22.06
Others	330	9.71
Total	3400	100

Source: Field Survey 2018

The table 4.9 shows that, in the study area, the sample households used to product 300 quintals of paddy in total in a year which is 8.82% of the total production while 16.17% of the of the total product is hold by the maize and similarly 4.41% of the total production is hold by wheat. Similiarly 9.42 % of total production is held by cardamom, while 29.41% of total production is held by zinger. Likewise 22.06% of total production is held by broom grass. And about 9.71% of the total production is holds by other. Since, the people can easily get the access of the water for the crops from various source (like Yangba Khola, public kulo etc.). Most of the area of Ilam is assume to be good for agriculture that's why the study area is one of the most potential area for the agricultural product.

4.11 Sources of Income

It is found that sample households used to manage their financial resources from different area including goat farms. The average (annual, monthly) income of the sample households from different sources is presented in table 4.10.

Table 4.10
Sources of Income of Sampled Households

Sources	Monthly Income of 20 households (tentative)	Average Monthly Income per household	Percentage
Goat Farm	4,00,000	20,000	49.39
Agriculture	85,000	4,250	10.49
Livestock (other than goat)	50,000	2,500	6.17
Wage Work	50,000	2,500	6.17
Service	50,000	2,500	6.17
Business/Trade	50,000	2,500	6.17

Remittance	75,000	3750	9.27
Others	50,000	2,500	6.17
Total	8,10,000	40,500	100

Source: Field Survey 2018

The table 4.10 shows that the average monthly income of each sampled household which is about Rs. 40,500 from various sources. Among the varieties of income sources, goat farming is the highest income source of the sampled households which occupied 49.39% of the total income. From this evidence; we can declare that goat farming is one of the main sources of income for the sampled households.

4.12 Respondents' Expenditure in different Sectors

The average monthly expenditure of the sample household in the major topics is shown in the following table.

Table 4.11
Average Monthly Expenditure of the Respondents

Topic of Expenditure	Average monthly Expenditure of a household	Percentage
Health	4000	23.53
Education	7000	41.17
Food	2000	11.77
Mobile phone	1000	5.89
Others	3000	17.64
Total	17000	100

Source: Field Survey 2018

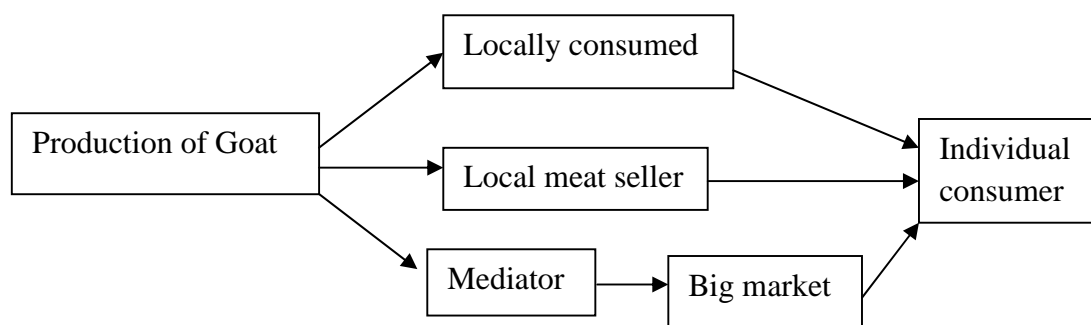
This table 4.11 shows the average monthly expenditure of a sampled household which is 17,000. The sampled household spend about 65% of income in health

and education. Their expenditure on food and mobile phone are 11.77% and 5.89% respectively. The other topic of expenditure includes electricity, fuel, entertainment etc, which is 17.64% of total expenditure.

4.13 Marketing Channels

Diagram No. 1

Marketing Channels of Goat



From the informal interview and the questionnaire survey, the researcher has sketched out the general marketing channel of the goat farming. First of the all, a newly born goat is become ready to sell around 6-10 month according to its weight. Then, most of the goats that the farmer produced used to be sold from their home by the local meat seller. It is also found that, the people tried to make their goat ready to sell in the time of Dashain and Tihar because a huge number of meat is used to be demanded by the local neighboring consumer in this season according as Hindu religion. It is also found that the goats produced by the sampled households also used to be exported to the nearer big cities like Mangalbare, Ilam Bazar, Dhulabari by the help of the mediator, but the farmer want to sell their product for the local consumer because generally they used to get a bit high range of the price (in an average, Rs. 600/Kg) than from mediator.

4.14 Livestock Information

Ilam is regarded as a developed district in the field of agriculture and livestock due to the emerging possibility of poultry, goat farms, dairy products and various fish ponds. Agro and livestock based professional practice in Ilam has

increased the economic activity in rural areas. Domestic animals like cows, buffalos, goats, poultry farming, fish form etc are the main livestock in Phakphokthum Rural Municipality Ward No.6 of Ilam district. People have been keeping livestock from the ancient period but history of commercialization of livestock is very short. In the study area, commercialization of livestock farming does not go back to more than three decades. Farmers keep livestock for the purpose of milk, meat, biogas and use bi-products in the farmlands.

The financial sources of livestock farming are cooperative, bank, self saving, villagers, mother groups etc. Livestock farming plays a vital role to uplift the economic condition of the farmers in the study area. According to the farmers, the study area is suitable for livestock farming. Livestock farming has various direct and indirect benefits such as use of house wastage, give nutritional food, employment; biogas and manure are direct benefits. The following table shows the number of the goats that the sampled households have.

Table 4.12

Number of households according to the number goats

No. of goats	20-24	25-29	30-34	35 & more	Total
No. of households	3	7	8	2	20
Percentage	15	35	40	10	100

Source: Field Survey 2018

From table 4.12 it was found that out of 20 sampled households 3 households have 20-24 goats, 7 families have 25-29 goats, 8 families have 30-34 goats and only 2 families have 35 or more than 35 goats.

Table 4.13**Number of households according to the number of other Livestock**

Livestock	Number of Livestock					Percentage
	0	1-2	3-4	5 or more	Total	
Buffalos	12	7	1	0	20	40
Cows	0	13	4	3	20	100
Pig	6	3	1	10	20	70
Chicken	0	2	4	14	20	100
Duck	7	4	7	2	20	65

Source: Field Survey 2018.

It is found that 8 households keeps at least one buffalo at their house while 12 households did not have at least one buffalo at their house. All 20 sampled households keeps at least one cow at their home. Six sampled households don't keep pig at their home and remaining households keep at least one pig at home. Each and every sampled family keep at least one chicken at their home. Seven sampled family don't keep duck at their home while remaining family keep at least one duck at home.

Phakphokthum Rural Municipality Ward No.6 is in the leading position in the agricultural product as well as in the livestock farming like poultry farm, fish farming and duck rearing etc. Since the present study is mainly focused on the goat farming so it obvious to have some numbers of goats in their home, but it is interesting to get that some of the families are also rearing other livestock from bussinessial point of view like poultry farm, fish farming etc. Even they can help in generating their income of the farmer, farmer usually used to be motivated to rear goat because of its easy process of managing their foods, do

not require to have any expertise, every family members can help in rearing and high demand of local goats. Therefore, the farmers who are rearing different kinds of livestock, they generally prefer to goat rearing.

4.15 Purpose of Livestock Farming

The main purposes of livestock farming in the study area are to produce milk, meat, bio-gas and use byproduct in the farm land. The researcher found that there was multiple purpose of livestock farming. The responses are shown in the table 4.14.

Table 4.14

Number of households for Purposive of Livestock Farming

S.N.	Purpose	Self Consume only	Self consume + Business	Total
1.	Meat (Goat)	-	20	20
2.	Milk Production (Buffalos and cow)	7	13	20
3.	Meat (Pig)	5	9	14
4.	Meat (Chicken)	6	14	20
5.	Meat (Duck)	4	9	13
6.	Fertilizer	12	8	20

Source: Field Survey 2018

If is found that, the primary purpose of goat farming in the study area is to produce meat for business as well as to self consume. All most all of the sampled households used to keep goats for the purpose of business. But in other livestock it is found the mixed purpose of keeping livestock in their home either self use only or business. Out of 20 families, only 7 families used to keep

cows and buffalos to produce milk for self consume while 13 used to keep cows and buffalos for the purpose of self consumer and business. In the same way, people used to keep pig in their home for the purpose of business and self consume. Similarly, out of 20 families, 6 families used to keep chicken for self consume but about 14 families used keep chicken for both purpose. In the same way, out of 13 families, 4 families used to keep duck for the purpose of self consume while other 9 families used to keep duck for both purpose. Other than producing meat and milk, the people have another next purpose of livestock farming for the fertilizer for their crops in which 12 families used to use the fertilizer in their own land but remaining 8 families used sell as well.

4.16 Financial Sources of goat farming

In the study area it is found that out of 20 sampled households, only 13 household have taken loan from different financial sources for goat farming, such as from cooperative, banks, villagers, women groups and rest of other were doing this business by investing the money from self saving. But it is observed that the main financial investment for this farming is loan from mother group and cooperative this can be shown as table 4.15.

Table 4.15

Number of households which have taken loan for goat farming

S.N	Sources	No. of Households
1	Mother Groups	6
2	Commercial bank	1
3	Agriculture D. Bank	1
4	Co-operative	4
5	Others	1

Source: Field Survey, 2018

It is also obtained that the reason to take the loan from mother groups by maximum number of the farmer is because most of them are involved in some mother groups so that they can have easy access of loan in low interest rate.

4.17 Influence of goat farming for the Economic conditions

The researcher got the responses of the farmers on the statement that ' Are you feeling positive influence on your economic condition from goat farming?' is as table 4.16.

Table 4.16
Influence of goat farming for the Economic Conditions

Influence on Economic condition	Number of Households	Percentage
Good	17	85
General Influence	3	15
No Influence	-	0
Total	20	100

Source: Field Survey 2018

The researcher obtained that from the study, the role of goat farming in the sample households is very significant this because 85% of the sampled household said they have good influence of goat farming to uplift their economic condition. In the same 15% of sampled household appreciate general influence of goat farming in their economic conditions while got no one saying no influence on their economic condition.

4.18 Types of Problems Regarding to Goat Farming

The respondents have faced many problems in goat farming. One problem of one household may overlap with the other. The several problems they have faced can be shown in the following table.

Table 4.17

Types of Problems Regarding to Goat Farming

Problems	Number of Households	Percentage
Lack of grass	12	60
Lack of developed caste of goat	7	35
Lack of manpower	5	25
Lack of livestock insurance	5	25
Lack of facilitated loan	13	65
Lack of proper training	8	40
Lack of veterinary facility	17	85
Low price of meat	9	45

Source: Field Survey, 2018

Table 4.17 shows the varieties of problems faced by sampled households. Lack of veterinary facility and lack of grass are the most common problems of sampled households. Other problems come along with these problems.

4.19 Different Prospects Regarding Goat Farming

The respondents showed many prospects of commercial goat farming in the study area, which is shown in the following table.

Table 4.18

Prospects of Commercial Goat Farming

Prospects	Number of Households	Percentage
Occupation	15	75
Income	18	90
Employment	13	65
Meat market	13	65
Fertile land	16	80
Healthier life	11	55

Source: Field Survey, 2018

The table 4.18 shows the different prospects of commercial goat farming given by the respondents in the study area.

4.20 Problems and Prospect of commercial goat farming in study area.

The problems and prospects of goat farming in study are analyzed by counting the frequencies of the each statement that the respondents have kept. On the basis of the respondents view different problems and prospect of goat farming found as bellows:

4.20.1 Problems of goat farming in study area

The major problems regarding to goat farming in the study area can be explained as follows.

1. Lack of Grass for Feeding

Most of the farmers are used to feel lack of the green grass is one of the main problem in this sector. It is found that out of 20 sampled

households 12 (60%) of the sampled households said it is the major problem of this sector. There are many reasons behind this like not having the idea about the developed types of grass, not having the proper land because of plotting of land, lack of other feeding materials etc.

2. Lack of Developed Caste of Goat

Out of the 20 sampled households 7 household said lack of the developed caste of the goat is also one of the problem for the commercialization in goat farming. In the time of the survey, researcher himself also got almost all of the farmers used to rear local caste of the goats, which also supports the result.

3. Lack of Manpower

Out of 20 sampled households 5 households said lack of manpower for rearing goats is one of the problems of this sector. This may because, most of the people below the age of 20 years are generally used to be busy in academic activities and huge number of young people are used to be out of the house (national or international) that's why lack of the man power is also got as the problem.

4. Lack of Livestock Insurance

Out of 20 sampled households 5 households said that lack of livestock insurance is one of the problems of the goat farming. Farmers complained that they have not been able to get access to the insurance. Even though the Government of Nepal have forced insurance companies to do cattle insurance and have given a minimum cap for insurance premium but they have not been able to reach the farmers.

5. Lack of Facilitated Loan

Out of the 20 sampled households 13 households said that lack of the facilitated loan is as the problem for goat farming. Farmers do not have

financial support for having improved caste of the goat. Local cooperatives are not proactive in providing loans for goat farming. As the loan in Nepalese context is collateral based, some farmers does not have adequate collateral. A subsidy based low interest rate loan is required by the farmers.

6. Lack of Proper Training

Out of 20 households 8 families said that lack of the proper training about animal husbandry is also being of the problem. From the informal interviews with the farmers, they expect some kind of training program about livestock farming and agricultural field visiting program for the better practice of this business.

7. Lack of Veterinary Facility

Out of 20 sampled households 17 families said lack of the veterinary facility as one of the problem. By the observation while visiting to the sample household, the researcher himself found only one veterinary in the study area. Even though almost all of the families have some kind of the livestock, but the veterinary service is not found satisfactory so it is also considered as one of the problem in this business.

8. Low Price of Meat

Only 9 families out of the 20 families select low price of the meat as one of the problem for goat farming in the context of the study area. Even though the price of the goat meat is getting higher in the resent year, it is also supposed as fewer because of the investment in a goat to make it ready to sell.

4.20.2 Prospects of commercial goat farming

The major prospects of goat farming are as follows.

1. Prospects to develop goat farming as a main occupation

Most of the respondents are agreed with the statement the goat farming can be developed as the main occupation. 15 respondents out of the 20 households were agreed with the statements. In some recent year, many young entrepreneurs are highly motivated to the agri-business especially towards goat farming in this study area. This also suggests us goat rearing also can be develop as one of the main occupation of the people.

2. Prospects to increase the level of income

From the above analysis it can be seen that goat farming is in the second position to generate the income source of the sampled people. Out of the 20 sampled households 18 respondents we agreed with the statements that the goat farming also have some potential to increase the economic level of the people. So that we can suppose one of the main prospect of goat farming is to increase the income level of the people.

3. Prospects to increase employment

From the observation in the field, informal interview with the participants and survey questionnaire, we can conclude that the goat farming has potential to increase employment in the society. From the above mentioned analysis, many people are directly involved in this programme. And, 13 respondents out of 20 respondents we agreed with this statement. So that we can assumed the incensement in employment is also one of the prospect of goat farming.

4. Prospects to capture national meat market

Recently, Ilam is the leading position to product meat in the nation especially from poultry, in the same way, if we are able to draw a bit attention of the young entrepreneur in commercial goat farming, certainly it may have the possibility to capture the national meat market.

In the study 13 respondents marked that it has the prospect to capture the national meat market.

5. Prospect to increase the production capacity of land

No doubt, the proper use of the fertilizer produced by goat farming obviously increases the production capacity of the land because fertilizer produced by goats are used to be the best one for the land. In the study 16 respondents out of 20 respondents are agreed with the statement that the goat farming has prospect to increase the production capacity of the land, so it is also assumed as one of the prospect to increase the production capacity of the land.

6. Prospect to make healthier life

As we already reviewed in the previous section, goat meats are used to be taken healthiest as well as the choicest meat among other. People used to rear goats in home for the purpose of self consumption as well as for business so that this may have a great role to make healthier life of the people. In the study, 11 people are agreed with the statements, so this is also supposed as one of the prospect of goat farming.

CHAPTER V

FINDINGS, CONCLUSION AND RECOMMENDATIONS

This study has analyzed the impact of commercial goat farming on the socio-economic status of the farmers who are engaged in this profession. This study is prepared on the basis of both primary as well as secondary data. Primary data are gathered from the field survey, questionnaire and the secondary data are from various publications such as district profile, office record, different books etc. Out of 50 households, 20 households which are rearing at least twenty goats for the purpose of business are taken as sample for the study. Collected data have been analyzed and interpreted in descriptive ways. Major findings, conclusion and recommendations are presented below:

5.1 Findings

The major findings of study are as follows.

1. The total family members of 20 sampled households are 96. The average family size per household is 4.80. Out of 20 respondents, only 15 percent of respondents are illiterate who are unable to read and write. Mainly these illiterate people are involved in the goat rearing. Literate persons who are in the age group of 15 to 59 are interested in getting exposure in cities and in the capital city Kathmandu and those who could not get better opportunities in Nepal seek employment opportunities in foreign countries. But the researcher found that, in some recent year a huge number of young people are also highly motivated to the agribusiness including commercial goat farming.
2. The average land holding by sampled household is 34.5 Ropani which can be assumed as satisfactory for food production and livestock farming.

3. Other sources of income apart from goat farming of sampled households are foreign employment, other livestock, services, business and others (vegetable farming, cash crops). Income source generated by goat rearing occupied the highest position and agriculture occupied the second highest position in sampled households, in which 49.39% of the total income is contributed by goat farming whereas 10.49% of the total income is contributed by agriculture.
4. In some recent year, the researcher found that the young entrepreneurs are highly motivated to commercialization of goat farming. .
5. Farmers in the study area are rearing livestock for the purpose of milk production, meat, farming and energy (biogas). The main livestock in the study area are goats, buffaloes, cows, pigs and poultry.
6. The financial sources of livestock farming in the study area is loan from cooperative, mother groups, banks, self-saving, villagers, women groups etc. Farmer prefers mother group and cooperatives than banks because of its easier process to get loan.
7. It is found that 15% of the sampled households have 20-24 goats, 35% of the sampled households have 25-29 goats, 40% of the sampled households have 30-34 goats, and 10% of the sampled households have 35 or more than 35 goats. The researcher also found that 40% of the sampled households are rearing buffalos, 100 % of the sampled households are rearing cows, 70% of the sampled households are rearing pigs, 100% of the sampled households are rearing chickens and 65% of the sampled households are rearing ducks.
8. The researcher found that none of sampled household have got opportunity to insurance their livestock.
9. In an average, the monthly income of a sampled household is about Rs. 40,500 out of which 49.39% is contributed by the goat farming which is

in the highest position to generate the income source of the sampled households.

10. It is found that, the primary purpose of goat farming in the study area is to produce meat for business. All most all of the sampled households used to keep goats for the purpose of business. But in other livestock, it is found the mixed purpose of keeping livestock in their home either self use only or business. Out of 20 families, only 7 families used to keep cows and buffalos to produce milk for self consume while 13 used to keep cows and buffalos for the purpose of self consume and business. In the same way, people used to keep pig for the purpose of business and self consume. Similarly, out of 20 families, 6 families used to keep chicken for self consume but about 14 families used keep chicken for both purpose. In the same way, out of 13 families, 4 families used to keep duck for the purpose of self consume while other 9 families used to keep duck for both purpose. Other than producing meat and milk, the people have another purpose of livestock farming for the fertilizer for their crops in which 12 families used to use the fertilizer in their own land but remaining 8 families used to sell as well.
11. The researcher obtained that from the study, 85% of the sampled household said they have good influence of goat farming to uplift their economic condition. In the same way, 15% of sampled household appreciate general influence of goat farming in their economic conditions while no one saying no influence on their economic condition.
12. It is found that, most of the families used to expend their income from goat farming in domestic purpose and their children's education.
13. Farmers in study area are facing so many problems regarding goat farming, some of the major problems below.

- a) Lack of grass for feeding
- b) Lack of developed caste of goat
- c) Lack of manpower
- d) Lack of livestock insurance
- e) Lack of facilitated loan
- f) Lack of proper training (about livestock)
- g) Lack of veterinary facility
- h) Low price of meat

14. There are not only problems, the researcher found so many prospects of goat farming in the study area. According to the farmers the major prospect of this profession in the study area are;

- a) Prospects to develop goat farming as a main occupation
- b) Prospects to increase the level of income
- c) Prospects to increase employment
- d) Prospects to capture national meat market
- e) Prospect to increase the production capacity of land
- f) Prospect to make healthier life

15. On the basis of the information collected from the survey study, the commercial goat farming has significant role in the socio-economic status of the people, so the study helps to make the conclusion that there is a good possibility of commercialization of goat farming so we can do this business in the larger scale which may be the mile stoning step to uplift our economic condition.

5.2 Conclusion

A huge number of young entrepreneurs are highly motivated in the commercialization of agri-business in some recent years in the context of Nepal, especially in Ilam. Ilam is being developed as one of the leading districts in agriculture as well as livestock farming because of its well climate and access of various facilities. From the study, it can be concluded that goat rearing in the projected area is one of the main sources of income generation which has a very influencing positive effect on the socio-economic status of the people. Even though the history of commercial goat farming is not so long, people are encouraged to rear some local goats in their home than other livestock with the purpose of self consume as well business in the projected area. For the purpose of livestock farming, people used to assume cooperative and mother group as the easier way to financial management. Even the cost of the goat's meat is higher in some recent days; people in projected area are not completely satisfied with the live goat's cost. The study also concluded that there are various problems or the barriers for the commercial farming in the projected area mainly; lack of grass for feeding, lack of developed caste of Goat, lack of manpower, lack of Livestock insurance, lack of facilitated loan, lack of proper training (about livestock), lack of veterinary facility, low price of meat etc. Even this have so many problems, it has also so many prospects like; prospects to develop goat farming as a main occupation, prospects to increase the level of income, prospects to increase employment, prospects to capture national meat market , prospect to increase the production capacity of land, prospect to make healthier life.

5.3 Recommendation

Nepal remains a predominantly agrarian economy. Many Nepali people are involved in agriculture playing vital role in GDP of country. Livestock, a subsector of agriculture, contributes remarkably in national, and also plays important roles in human food and nutritional security, livelihood, regional

balance, gender mainstreaming, and rural poverty alleviation. Yet, there is no separate national livestock policy in Nepal, and instead, its national livestock-related policies are spread across agriculture and other sectors. In this context, the government of Nepal should have to make a separate policy for livestock farming so that farmers can get different subsidies and supports and hence they are encouraged to this profession.

To make more participation in the commercialization of goat farming, it is necessary to have an organized marketing system, service of facilitated loan as well insurance of livestock so the study recommend to the related official to manage those things so that the farmer feel secure with this profession.

Government should enhance and increase the access of market and provide necessary technical support such as veterinary, animal feeding and environmental information.

Farmers are not aware of improved caste and feed of the goats. So it is necessary to make them aware about different developed caste of goats in the place of local goats.

At last, the commercialization in goat farming can be established as one of the main occupation which can help people to live a bit satisfied life so the researcher suggests to the new entrepreneur to seek different alternatives related to agribusiness especially commercialization in goat farming.

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Appendix A

PROBLEMS AND PROSPECTS OF COMMERCIAL GOAT FARMING

Household Survey:

1. For individual farmer (main person of house):

a) Name..... b)Age:..... c) Sex:.....

d) Religion e) cast....

f) Occupation: (i) Main: (ii) Other:.....

2. Description of family member.

S.N.	Name	Age	Sex	Education	Occupation
1					
2					
3					
4					
5					
6					

3. Livestock Information

Livestock	Number	No. of people engaged	Livestock	Number	No. of people engaged
Goat			Chicken		
Buffalo			Duck		
Cow			Sheep		
Pig			Other		

25. What are the problems of Goat Farming? (Write in priority order)

- 1.
- 2.
- 3.
- 4.

26. What are the problems of Goat Farming? (Write in priority order)

- 1.
- 2.
- 3.
- 4.

27. Do you have any suggestion, recommendation, and view about goat farming?

.....

Thank You