

**A STUDY ON SOCIO-ECONOMIC IMPACT OF HYDROPOWER PROJECT  
A CASE STUDY OF JHIMRUK HYDROPOWER PROJECT,  
PYUTHAN DISTRICT**

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## LETTER OF RECOMMENDATION

The thesis entitled “**A Study on Socio-Economic Impact of Hydropower Project: A Case Study of Jhimruk Hydropower Project, Pyuthan District**” is prepared by Mrs. Sita Pandey under my guidance and supervision in partial fulfillment for the requirement of the Master of Arts in Rural Development.

I, therefore, recommend this thesis for final approval and acceptance to the evaluation committee.

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APPROVAL SHEET

This thesis entitled **“A Study on Socio-Economic Impact of Hydropower Project: A Case Study of Jhimruk Hydropower Project, Pyuthan District”** submitted by Sita Pandey has been accepted in partial fulfillment of the requirements for the degree of Master of Arts in Rural Development by the evaluation committee.

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Sita Pandey

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## *ABSTRACT*

The role of hydropower in economic development in the context of a Least-developed country like Nepal can never be underestimated. The electricity generated from the hydropower plant is not only essential for industrial growth but is equally inevitable for human living. This study attempts to appraise the importance of electricity in the development of Nepal. Moreover, it focuses on the significance of small hydropower project in the context of Nepal.

The present study has attempted to bring these aspects of the small hydropower projects into the limelight through the study of impact of Jhimruk Hydropower Project in the overall sector of the study area, that is, five different VDCs in Pyuthan District. The 12 MW project was financially supported by Norwegian Agency for Development Cooperation and United Mission to Nepal.

The study has employed both primary and secondary sources for data collection. Under the primary source, the study has been based on questionnaire, interview and direct observation of the project site and affected areas. Likewise, different reports and official publications regarding hydropower plants have been taken into consideration for the statistical data. Ten households from each of the five VDCs (Khiara, Tighra, Baraula, Pakala, Ramdi) have been selected randomly for the purpose of the study.

The study found mixed socio-economic impact of the project on the project affected areas. Majority of the population are still dependent on agriculture for livelihood. There is very little chance for non-farm employment. The study further finds out that the population is not substituting electricity for firewood. This is because of the higher prices of electricity when compared to firewood. One basic problem associated with water from Jhimruk has been that no sufficient water has been left in the river from that diversion. This has not only affected water for irrigation but also for drinking purposes. Many villages are dependent on Jhimruk river for supply of drinking water and washing purposes. Since much of the water has been taken away from the river, drinking water is difficult to obtain. Women and children are engaged for long hours to fetch water.

The agricultural production is also found to be lessened during the post-project period. The paddy production went down by 8.71 percent and wheat and barley by 5.47 percent and 11.11 percent respectively. The study has also found that the temperature of the region is constantly rising, water animals are thus displaced and fishermen are left unemployed. The study further reveals that Jhimruk hydro project has positive impact on the employment level. With the fall in down stream flow, the project has compensated the affected population by supplying piped drinking water.

To sum up, installation of small hydropower projects like Jhimruk hydropower is significant from several angles like, to fulfill national demand for electricity, protect environment, uplift living standard of rural people, reduce regional disparity and enhance economic activities in the rural areas.

## LIST OF TABLES

<b>Table No.</b>	<b>Description</b>	<b>Page No.</b>
4.1	River Basinwise Theoretical Hydropower potentiality in Nepal	
	18	
4.2	Basinwise Technical Potentiality of Hydropower in Nepal	
	19	
4.3	Basinwise Economic potentiality of Hydropower in Nepal	
	19	
6.1	Sex –wise Literacy status of the Study Area	
	30	
6.2	Education of the Literate people who had attended educational	
	30	
	institution by sex	
6.3	Housing Condition of the Selected Housing in the Study Area	
	31	
6.4	Source of Drinking water in the Study Area	
	32	
6.5	Sanitation Facilities in the Study Area	32
6.6	Occupation of Family-Heads in the Study Area	
	33	
6.7	Land Holding Pattern of Sampled Households	
	34	
6.8	Food Availability in the Study Area	
	34	
6.9	Sources of Income of the Sampled Households	
	35	

6.10	Change in Average Seed Use and Production of Cereals in the Study Area	35
6.11	Fuel wood Dependency in the Study Area	36
6.12	Electricity Consumption per month in NRs	37
6.13	Positive Impact of the Project	37
6.14	Negative Impact of the Project	38

## **LIST OF TABLES**

<b>Table No.</b>	<b>Description</b>	<b>Page No.</b>
4.1	River Basinwise Theoretical Hydropower potentiality in Nepal	18
4.2	Basinwise Technical Potentiality of Hydropower in Nepal	19
4.3	Basinwise Economic potentiality of Hydropower in Nepal	19
6.1	Sex –wise Literacy status of the Study Area	30
6.2	Education of the Literate people who had attended educational institution by sex	30



6.3	Housing Condition of the Selected Housing in the Study Area	
	31	
6.4	Source of Drinking water in the Study Area	
	32	
6.5	Sanitation Facilities in the Study Area	32
6.6	Occupation of Family-Heads in the Study Area	
	33	
6.7	Land Holding Pattern of Sampled Households	
	34	
6.8	Food Availability in the Study Area	
	34	
6.9	Sources of Income of the Sampled Households	
	35	
6.10	Change in Average Seed Use and Production of Cereals in the Study Area	35
6.11	Fuel wood Dependency in the Study Area	
	36	
6.12	Electricity Consumption per month in NRs	
	37	
6.13	Positive Impact of the Project	
	37	
6.14	Negative Impact of the Project	38

## TABLE OF CONTENTS

	<b>Page</b>
<b>CHAPTER I: INTRODUCTION</b>	<b>1-6</b>
1.1 Background	1
1.2 Statement of the Problem	4
1.3 Objectives of the Study	6
1.3.1 General Objectives	6
1.3.2 Specific Objectives	6
1.4 Significance of the Study	6
<b>CHAPTER II: LITERATURE REVIEW</b>	<b>8-14</b>
<b>CHAPTER III: RESEARCH METHODOLOGY</b>	<b>15-16</b>
3.1 Population	15
3.2 Sample Size and Technique	15
3.3 Research Design	15
3.4 Nature of Data	15
3.5 Methods of Collecting Primary Data	16
3.6 Sources of Secondary Data	16
<b>CHAPTER IV: STATUS OF HYDROPOWER IN NEPAL</b>	<b>17-21</b>
4.1 Introduction	17
4.2 Potentiality of Hydropower in Nepal	17
4.2.1 Theoretical Potentiality	17
4.2.2 Technical Potentiality	18
4.2.3 Economic Potentiality	19
4.3 Present Status of Hydropower in Nepal	20
<b>CHAPTER V: ROLE OF HYDROPOWER IN ECONOMIC DEVELOPMENT OF NEPAL</b>	<b>22-28</b>
5.1 Introduction	22
5.2 Role of Electricity in Agriculture Sector	23

5.3	Role of Electricity in Industrial Sector	24
5.4	Role of Electricity in Transportation	25
5.5	Role of Electricity in Trade and Commerce	26
5.6	Role of Electricity in Tourism	27
5.7	Role of Electricity in Social Service	28
<b>CHAPTER VI: DATA ANALYSIS AND FINDINGS</b>		<b>29-39</b>
6.1	Introduction of the Project	29
6.2	Socio-Economic Characteristics	30
6.2.1	Sex-wise Literacy Status	30
6.2.2	Attainment of Education on the Study Area	30
6.2.3	Housing Condition	31
6.2.4	Drinking Water Facility	32
6.2.5	Use of Toilet	32
6.2.6	Employment Opportunity	33
6.2.7	Ownership of Land	34
6.2.8	Food Availability	34
6.2.9	Sources of Income	35
6.2.10	Seed Use and Production	35
6.2.11	Use of Fuel Wood	36
6.2.12	Electricity Consumption	37
6.3	Positive Impact of the Project	37
6.4	Negative Impact of the Project	38
<b>CHAPTER VII: SUMMARY, CONCLUSION AND RECOMMENDATION</b>		<b>40-42</b>
7.1	Summary and Conclusion	40
7.2	Recommendation	42
<b>BIBLIOGRAPHY</b>		<b>43-44</b>
<b>ANNEXURE</b>		