Socio-Economic Impact of Biogas Plant in Rural Area: A Study of Narayanpur VDC, Kailali District, Nepal

A THESIS

SUBMITTED TO

CENTRAL DEPARTMENT OF RURAL DEVELOPMENT
THE FACULTY OF HUMANITIES AND SOCIAL SCIENCES
IN PARTIAL FULFILLMENT OF REQUIREMENT FOR THE MASTER'S
DEGREE OF ARTS IN RURAL DEVELOPMENT

By Sushma Malla

T.U. Regd. No. 6-2-37-815-2002 Roll. No. 2788 / 062-64

Central Department of Rural Development
Tribhuvan University, Kirtipur
Kathmandu, Nepal

May, 2009

Socio-Economic Impact of Biogas Plant in Rural Area: A Study of Narayanpur VDC, Kailali District, Nepal

A THESIS

SUBMITTED TO

CENTRAL DEPARTMENT OF RURAL DEVELOPMENT
THE FACULTY OF HUMANITIES AND SOCIAL SCIENCES
IN PARTIAL FULFILLMENT OF REQUIREMENT FOR THE MASTER'S
DEGREE OF ARTS IN RURAL DEVELOPMENT

By Sushma Malla

T.U. Regd. No. 6-2-37-815-2002 Roll. No. 2788 / 062-64

Central Department of Rural Development
Tribhuvan University, Kirtipur
Kathmandu, Nepal

May, 2009

LETTER OF RECOMMENDATION

This thesis entitled, Socio-Economic Impact of Biogas Plant in Rural

Area: A Study of Narayanpur VDC, Kailali District, Nepal has been

prepared by Sushma Malla under my supervision. I hereby recommend

this thesis for evaluation by thesis committee as a partial fulfillment of

the requirement for the degree of Master of Arts in Rural Development.

Dr. Uma Kant Silwal

(Supervisor)

Central Department of Rural Development

Tribhuvan University

Kirtipur, Kathmandu

Date: 2066-02-10

iii

APPROVAL CERTIFICATE

This is to certify that the thesis entitled Socio-Economic Impacts of Biogas Plant in Rural Area: A Study of Narayanpur VDC, Kailali District written and submitted by Sushma Malla has been examined. It has been declared successful for the fulfillment of the academic requirements toward the completion of Master of Arts in Rural Development.

THESIS COMMITTEE

Dr. Uma Kanta Silwal
External Examiner (Thesis Supervisor)
Central Department of Rural Development
Development

Prof. Dr. Pradeep Kumar Khadka

iv

Head Central Department of Rural Development

ACKNOWLEDGEMENT

First of all I am very much grateful to my thesis supervisor Dr. Uma Kant Silwal for his valuable inspiration and guidance throughout my analysis without whose continuous guidance and creative suggestions this study would have never been completed. Also my sincere gratitude goes to our Head of the Department Prof. Dr. Pradeep Kumar Khadka for providing me an opportunity to conduct this research. I am also indebted to all my respected teachers for their valuable information and suggestions.

I would like to extend my sincere gratitude to all plant owners who unresistingly responded during the course of information and data collection. I also like to thank BSP, AFPC, DDC Kailali for their kind co-operation.

Similarly, I would like to thank my friends Babita, Tika, Milan, Srijana, Shumbam, and Surya for their useful suggestions and valuable help to complete this thesis.

Last but not the least I would like to thank my parents Yukta Raj Bahadur Malla and Rajani Malla and my dear husband Rishi Raj Dahal for their continued encouragement and inspiration throughout my life, and the study period.

Finally, I am responsible for errors of judgment or of analysis, if exists any.

May, 2009

Sushma Malla

ABSTRACT

The thesis entitled "Socio-Economic Impact of Biogas Plant in Rural Area: A Study of Narayanpur VDC, Kailali, Nepali". The general objective of this study is to assess the socio-economic impact of biogas plant installation in Narayanpur VDC, Kailali. The specific objectives of the study area: to study the biogas plant as an appropriate alternative source of energy, to study the impact of biogas plant in relation to the workload, improvement in health and sanitation, time and energy saving, overall energy, environment and economic benefits and to study the potential benefits of biogas plant installation in relation to use of digested slurry as fertilizer and to make recommendations and suggestions to promote biogas plant installation. This study has been chosen as a special topic to address the problem of energy in the study area and to provide the scope for the dissemination of the biogas technology. This study is basically based on both primary and secondary sources of data.

Narayanpur VDC is situated in the far western region of Nepal. In this VDC, there were 1,800 households. In the study area there were 1,800 households. About 60 households have been taken as sampled households out of 1,800 households. Sampled households were those who had installed biogas plant. Simple random sampling technique has been used to select sample. In this study data were collected from field survey by applying household survey questionnaire and observation method.

This study found that majority of the households (50%) out of total interviewed reported that they had adopted agriculture as a main occupation. Average family size of the sampled household was 5.6 per household. About 86.6 percent plant owners out of total interviewed were literate whereas only 13.4 percent were illiterate. Average landholding

size is 17 katthas per household. About 53.3 percent out of total interviewed reported that they were from Brahmin caste.

Out of total sampled biogas plant owners, majority of the households (83.3%) had taken loan from financial institutions. About 80 percent households reported that the main reason behind the installation of biogas plant was easy and smokeless cooking. Around 86.7 percent plant owners had attached toilet with the biogas plant. Average livestock population size of sampled household was 4.3 per household, Average dung production was 24.4 kgs per household. Majority of the respondents (73.3%) reported that the agricultural production had been increased. Total average time saving was 2½ hrs per day per household. Average saving amount of money was Rs.600/- per month per household.

It was found that from the study, majority of the respondents (43.3%) has used saved time on farm activities. This study also revealed that improvement was found in health and sanitation situation. About Rs.310 per year was saved on health treatment by each household. Majority of the respondents (86.7%) out of total interviewed reported that their social status was raised. It was also found that women were highly benefited by the biogas plant (63.3%). About 50 percent households out of total interviewed accepted that the overall energy, environment and economic condition had been improved.

CONTENTS

REC	COMMENDATION	i
APP	ROVAL SHEET	ii
ACK	KNOWLEDGEMENT	iii
ABS	TRACT	iv
CON	NTENTS	vi
LIST	T OF TABLES	X
LIST	T OF FIGURES	xii
LIST	T OF ABBREVIATIONS/ACRONYMS	xiii
CHA	APTER- I: INTRODUCTION	1-10
1.1	Historical Background	1
	1.1.1 Historical Development of Biogas in Nepal	2
1.2	Introduction to Biogas Technology	3
	1.2.1 Biogas	3
	1.2.2 Biogas plant	4
	1.2.3 Uses and Benefits of biogas plant installation:	4
1.3	Statement of the problem:	5
1.4	Objectives of the Study	7
1.5	Significance of the Study	7
1.6	Limitations of the Study	8
1.7	Organization of the Study	9
CHA	APTER-II: LITERATURE REVIEW	11-17
2.1	Conceptual Review	11
2.2	Review of Literature: Sharing Experiences	13
CHA	APTER-III: RESEARCH METHODOLOGY	18-24
3.1	Research Design	18
3.2	Introduction to the Study Area	19

3.3	Rationale f	or The Selection of the Study Area	20
3.4	Nature and	Sources of Data	20
	3.4.1 Prim	ary Sources of Data	21
	3.4.2 Seco	ndary Sources of Data	21
3.5	Sample Siz	e	22
3.6	Tools and	Γechniques of Data Collection	22
	3.6.1 Struc	ctured Questionnaire	23
	3.6.2 Obse	ervation	23
3.7	Analysis ar	nd Presentation of Data	23
CHA	APTER-IV:	BIOGAS IN NEPALESE CONTEXT	25-32
4.1	Backgroun	d of the Country	25
4.2	Energy situ	ation in Nepal	28
4.3	Energy Situ	uation in Kailali District	29
4.4	Institutions	Related to Biogas Promotion	29
	4.4.1 Biog	as Support Programme (BSP)	30
	4.4.2 Nepa	al Biogas Promotion Group (NBPG)	31
	4.4.3 Alter	rnative Energy Promotion Center (AEPC)	31
CHA	APTER-V:	SOCIO-ECONOMIC STATUS OF PLAN	ΙΤ
		OWNERS	33-38
5.1	Occupation	l	33
5.2	Family Size	e	34
5.3	Educational Status		35
5.4	Landholding		36
5.5	Caste/Ethn	icity	37
CHA	APTER-VI:	USES AND IMPACTS OF BIOGAS PLANT	Γ
		INSTALLATION	39-64
6.1	Uses of Bio	ogas	39

6.2	Impact of Biogas		40
	6.2.1	Information on Biogas	40
		6.2.1.1 Size of the Biogas Plant	40
		6.2.1.2 Construction Company	41
		6.2.1.3 Financed by (Financing Company)	41
		6.2.1.4 Sources of Information	42
		6.2.1.5 Reasons for Biogas Plant Installation	42
		6.2.1.6 Toilet Attached With Biogas Plant	43
6.3	Lives	stock	44
	6.3.1	Livestock Population	45
	6.3.2	Total Dung Production	45
6.4	Slurr	y	47
6.5	Alternative Energy Source, Consumption and Saving		
	6.5.1	Energy Types Used Before Installation of Biogas Plant	50
	6.5.2	Saving of Money on Energy	51
	6.5.3	Utilization of Saved Time	52
	6.5.4	The Source of Firewood Collection Before	
		Installation of Biogas Plant	53
6.6	Loan		54
	6.6.1	Biogas Plant Installation on Loan	54
	6.6.2	Interest Rate of Loan	55
	6.6.3	Perception on Existing Interest Rate	57
6.7	Health and Sanitation		
	6.7.1	Change Found in Surrounding After the Installation of	
		Biogas Plant	58
	6.7.2	Feeling on the Menace of Flies or Mosquito	59
	6.7.3	Money Spent on Health Treatment	59
6.8	Social Impacts		
	6.8.1	Raising in Social Status	61

	6.8.2 Benefited by the Biogas Plant	61
6.9	Problems and Perceptions on the Use of Biogas Plant	62
	6.9.1 Problems of Biogas Plant	63
	6.9.2 Perception of Respondents on Utility of Biogas Plant	63
	6.9.3 Opinion on the Overall Energy, Environment and	
	Economic Condition	64
CHAPTER-VII: MAJOR FINDINGS, CONCLUSION AND		
	RECOMMENDATIONS	65-70
7.1	Major Findings	64
7.2	Conclusion	67
7.3	Recommendations	69
APP	ENDIX	71-73
REF	ERENCES	74-80

LIST OF TABLES

Table No.	Title	Page
5.1	Distribution by Occupation	33
5.2	Distribution of HHs by Family Size	35
5.3	Distribution by Educational Status	35
5.4	Distribution by Landholding	36
5.5	Distribution by Caste/Ethnicity	37
6.1	Distribution of Biogas by Plant Size	40
6.2	Distribution by Construction Company	41
6.3	Distribution by Financing Company	41
6.4	Distribution by Sources of Information	42
6.5	Reasons for Biogas Plant Installation	43
6.6	Toilet Attached with Biogas Plant	44
6.7	Livestock Population	45
6.8	Dung Production	46
6.9	Dung Feeding	46
6.10	Slurry Used in Farm	47
6.11	Forms of Slurry	48
6.12	Impact of Slurry	49
6.13	Energy Types Used Before Installation of Biogas Plant	50
6.14	Saving on Time and Reduction in Workload	51
6.15	Average Saving of Money on Energy	52
6.16	Utilization of Saved Time	53
6.17	Sources of Firewood Collection	54
6.18	Installation of Biogas Plant on Loan	55
6.19	Interest Rate on Loan	56
6.20	Perception on Interest Rate	57
6.21	Change Found in Surroundings	58
6.22	Feeling on the Menace of Flies or Mosquito	59

6.23	Money Spent on Health Treatment	60
6.24	Raising in Social Status	61
6.25	Benefited by the Biogas Plant	61
6.26	Problems of Biogas Plant	63
6.27	Perception of Respondents	63
6.28	Opinion on the Overall Energy, Environment and	
	Economic Condition	64

LIST OF FIGURES

Figure No.	Title	Page
5.1	Distribution by Occupation	34
5.2	Distribution by Caste/Ethnicity	38
6.1	Impacts of Slurry	49
6.2	Interest Rate on Loan	56
6.3	Benefited by the Biogas Plant	62

LIST OF ABBREVIATIONS/ACRONYMS

ADB/N : Agricultural Development Bank/Nepal

AEPC : Alterative Energy Promotion Center

BSP : Biogas Support Programme

DDC : District Development Committee

FY: Fiscal Year

GDP : Gross Domestic Product

GGC : Gobar Gas Company

HHs : Households

Hrs : Hours

Kgs : Kilograms

Km : Kilometer

LPG : Liquefied Petroleum Gas

MA : Master of Arts

NBPG : Nepal Biogas Promotion Group

NEDA : Netherlands Development Agency

No. : Number

NPK : Nitrogen, Phosphorus, Kalium

Rs : Rupees

SNV/N : Netherlands Development Cooperation/Nepal

Sq. : Square

TU : Tribhuvan University

VDC : Village Development Committee

WDR : World Development Report

WECS : Water and Energy Commission Secretariat