Biogas Support Program, Nepal

Strengths and Weakness of Private Sector

Sundar Bajgain
BSP-Nepal

Christopher Kellner
SNV/Nepal

Technology Adopted

• Fixed dome
• Cattle dung based
• 4 – 10 m3 capacity
• Single design
• Domestic use (cooking and lighting)
Biogas Support Program

- Started in 1992
- Financially supported by
  - Government of Nepal
  - Government of Germany
  - Government of the Netherlands
- Technically supported by SNV
- Currently running in IV phase (July 2003 to June 2009)

Biogas Development

[Bar chart showing the number of plants from Pre-BSP to 2004/05 fiscal year.]
Biogas – Current Status

- 140,457 domestic size plants installed
- 97 percent plants are in operation
- 72 percent plants are connected with toilets
- 66 out of 75 districts are covered with biogas
- 1 million persons are getting benefits
- About 11,000 persons are employed
- 1 million tones/year GHG emission reduction
- About 245,000 tones/year organic fertilizer saved

Private Sector Involvement

- 62 Biogas Construction Companies
- 15 Appliances Manufacturers
- 140 Micro Finance Institutes
Strengths of Private Sector

Significant growth of number of plants

High quality construction and services are maintained

Price controlled through competition
Strengths of Private Sector

Capacity development and utilization of local people

Strengths of Private Sector…

Self sustain in biogas appliances production
Strengths of Private Sector…

- Commercialization of the sector
- Wider marketing and promotion

Company Grading

- Biogas companies are graded from A to E every year as per their performance
- Higher grade certificate is an effective tool for marketing biogas
- Higher graded companies receive more quotas and other supports
- Lower graded companies need more advisory and training supports
- Lowest grade in two years may result disqualifying the company
Weakness of Private Sector

Many companies are still small and financially weak.

Weakness of Private Sector

Weak in long-term business plan and need more support and advices.
Weakness of Private Sector

Weak in retaining trained staff due to seasonal work

Biogas Future

• Technical potential - 1.9 million plants
• Commercialization - through private sector
• Self-sustain - through Carbon Financing
• Integration – with other activities (agriculture, forestry, sanitation etc.)
Conclusion

- Domestic biogas in Nepal is technically reliable, socially acceptable and economically viable.
- One of the success factors of biogas in Nepal is involvement of private sector.
- Private sector can continue the biogas as a commercial sector but needs support and advices for few more years.

Thanks for your kind attention