

**Trade and Transport Facilitation
Monitoring Mechanism in Nepal**

Baseline study series #2

Business Process Analysis of
Export of Carpets from Nepal

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Business Process Analysis of Export of Carpets from Nepal

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¹ Naindra Prasad Upadhaya currently works in the Prime Minister's office, Nepal.

² <http://sasec.asia/index.php?page=event&eid=210&url=nepal-tfmm-national-validation-workshop>

Executive Summary

As part of the baseline study of Trade and Transport Facilitation Monitoring Mechanism (TTFMM) in Nepal, this technical note analyses trade process and procedures of export of woollen carpets through Kolkota-Birgunj-Kathmandu-Birgung-Kolkota corridor. It reviews the “as-is” trade procedures, diagnoses key bottlenecks and provides a set of possible policy recommendations.

This study reveals that, typically, 11 different institutions or agencies are involved in the procedures of export of carpet from Nepal. Among the 21 different documents required for export, only two, namely Single Administrative Document (SAD) and Export General Manifest (EGM), can be submitted electronically, while the rest have to be submitted in paper documents. Customs clearance required the most documents: 9 documents are required for customs clearance at Kolkata and customs clearance at Birgunj, respectively. It takes 28 days to complete the whole export process.

Based on data analysis, this study provides the following tentative recommendations to further enhance trade facilitation: 1) Further development of electronic filing and exchange of documents; 2) Harmonization of data and information and standardization of documents; 3) Further development of customs automation; 4) Introduction of National Single Window; 5) Review of Nepal-India transit treaty and its protocol.

This note constitutes an essential component of the baseline study of TTFMM. As such, it should not be treated as a one-off study. The indicators and other more detailed information and data included in this note provide “baseline” data for benchmarking when similar studies are carried out in the future.

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