PESTLE ANALYSIS on Manufacturing of Hemp Products

Submitted by:

Pramod Sapkota

BDfin 4th sem,1515

Submitted To:

Niroj Dev Pandey

Background

I am certain that Nepal presents an excellent opportunity for business by manufacturing and exporting hemp products. Hemp can be used in so many ways that no other plant can even come close. Nepal has very few less factories and industries in addition to a significant imbalance in its import-export trade. Acknowledging such situation in a nation developing hemp and assembling numerous items, for example, cosmetic items, textiles, hemp papers, fibers many more and exporting them can be a colossal chance to prevail upon import imbalances of our country. Starting a business that sells hemp products and recognizing its potential can be extremely successful. Hemp, which is known as Himalayan Hemp and grows naturally in many parts of Nepal, is of the highest quality in the world. It's a business worth a billion dollars with a lot of potential.

PESTLE ANALYSIS

PESTLE analysis is a term utilized in promoting standards. This concept is also used by businesses to monitor the environment in which they operate or plan to launch a new project, product, or service. Individuals may benefit from this analysis when deciding whether or not to run the business.

Each of the six components of the framework is represented by the acronym PESTLE (Political, Economic, Social, Technological, Legal, and Environmental).

POLITICAL:

Under the tension of US Nepal needed to make hemp unlawful. Despite the fact that the United States has legalized marijuana and hemp and turned it into a billion-dollar industry, Nepal's political instability and conflicts between parties vying for power have left them with little time to consider Nepal's potential. As a developing nation, Nepal would undergo a complete transformation if political parties focused on the country's potential in hemp, for example. due to the influence of international politics and political instability within the country. If only viewed in terms of revenue, Nepal has been undermining such a significant opportunity, which is a significant loss for our nation.

ECONOMICAL:

From an economic standpoint, establishing hemp product factories can provide employment opportunities and a significant amount of revenue for the government. Here, you can find work for people who go to the Gulf countries to make money. Nepal stands to benefit greatly from this opportunity to expand its economy if it is carried out on a larger scale and is able to export those goods. Because raw materials (hemp), like the majority of textiles, can be produced from hemp, hemp products can be made at a low cost. Nepal could become self-sufficient in textile production, which would reduce costs for production units and the general public.

SOCIAL:

From a social perspective, hemp is seen as a bad thing because it is illegal. A few producers of hemp products have to import raw materials, which is the worst possible situation. Legitimate attention to individuals with respect to utilizations and possibilities of hemp is most prior to setting up creation units and beginning organizations connected with hemp items. Because hemp is associated with both our religion and our history, there won't be much of a social or societal problem; all that is required is a little bit of awareness.

TECHNOLOGICAL:

From technological viewpoint, setting up organizations on a greater scale and creation units require colossal measure of mechanical help and foundations. As a result, Nepal appears to be far behind technologically. Therefore, establishment of hemp-related businesses and production facilities may necessitate significant capital investment, which could be a challenge. The majority of people are unaware of the many products that can be made from hemp if the appropriate technological infrastructures are managed. Therefore, technological advancement is required for these businesses to thrive.

LEGAL:

From a legal standpoint, it is against the law to grow hemp in Nepal, but hemp product producers in Nepal must import raw materials. In order for hemp to be legal in Nepal, the government must establish proper guidelines and regulations. There is no point in making plants illegal that grow naturally and have numerous uses.

ENVIRONMENTAL:

Products made from hemp are very good for the environment. Since hemp plants absorb more CO2 than any other plant, they are extremely beneficial to the environment. Hemp cultivation doesn't require a lot of pesticides or fungicides, which helps keep the land productive. To give an example of hemp products that are good for the environment, cotton textiles are more likely to pollute the environment than hemp textiles and hemp textiles are more durable and can be grown three to four times a year.

As a result, the PESTLE analysis on the production of hemp products leads us to the conclusion that hemp has enormous potential in Nepal and could greatly benefit our nation.