India - Nepal Relations

Why in news?

Nepal Prime Minister Pushpa Kamal Dahal 'Prachanda' had an official four day visit to India to strengthen India-Nepal ties.

What is the history of visits from PMs of both India and Nepal?

- Regular reciprocal visits by heads of state/government had been a bilateral tradition between India and Nepal until 1997.
- After 1997 India continued to host Nepali leaders, but did not make reciprocal visits.
- **Indian PM's visit -** Prime Minister Modi had invoked '***neighbourhood first***' to denote a new beginning in relations, during his visit to Nepal in August 2014.
- **Nepal PM's visit -** Nepal's Prime Minister Prachanda earlier visited India twice in 2008 and 2016, the visit in 2023 is his third official visit to India.
- The visit in 2023 has delivered many more concrete outcomes than the previous visits and visit marks a more positive and hopeful turn in India-Nepal relations.

India - Nepal
• India share an open border with Nepal that allows their nationals to move freely.
• **Economic ties -** India remains a major trade and transit partner, where a number of Nepalese continue to earn a living or pursue higher education.
• **Security ties -** India address security and geopolitical issues in its neighbourhood more smoothly.
• **Political ties -** In the near past, has gone through more ebbs than flows, largely due to a border dispute over the Kalapani area.
To know more about India-Nepal relations, Click here.

How is India-Nepal relationship in the present time?

- **Hydropower cooperation -** Till a decade ago, Nepal was dependent on electricity imports from India.
- Now, Nepal has an installed capacity of 2,200 MW, and in season, can export power to India. (452 MW imported to India in 2022)
- In the lean season, Nepal does import power from India but its dependence has dropped from 20% to 10% during the last five years.
- **Power Trade -** Targeting the export of 10,000 MW within a 10-year time frame, a long-term power trade agreement has been finalised.
- The 900 MW Arun III project started in 2018 by the SJVN (formerly the Satluj Jal Vidyut Nigam) will be operational later in 2023.
- A memorandum of understanding (MoU) for the 695 MW Arun IV project was signed in 2022.

- **New Deals -** The two sides signed deals to have Indian Public Sector Undertakings, National Hydro-Power Corporation and Satluj Jal Nigam respectively.
- **Sub-regional cooperation -** India has agreed to the Nepali demand for the facility to export electricity to Bangladesh using the Indian grid.
- **Connectivity -** In 2014 Nepal visit by Prime Minister Modi, to highlight the focus on connectivity, he coined the acronym *HIT*, covering *Highways, Info ways, and Trans ways*.
- In 2015 the relations took a downturn with the economic blockade.
- **Check posts -** The Rupaidiha-Nepalgunj Integrated Check Post was inaugurated to facilitate the movement of goods and people.
- The work begun on the Sunauli-Bhairahawa integrated check post and a MoU was signed for another check post at Dodhara Chandni.
- **Railways -** The Jaynagar-Kurtha railway line was inaugurated last year and there are plans to extend them.
- **Petroleum Pipeline -** The Motihari-Amlekhgunj petroleum pipeline between India and Nepal became operational in 2019 and work has begun to extend it to Chitwan.
- A MoU was signed for a new pipeline between *Jhapa and Siliguri*, which includes terminals and other infrastructure.

What are the points of contention between India and Nepal?

- Three difficult issues were not discussed during Prachanda's India visit.
- **Treaty issue -** In Nepal, conviction has taken root that the 1950 India-Nepal Treaty is unfair as it was imposed somehow.
- The *India-Nepal Treaty of Peace and Friendship of 1950* was signed in the backdrop of the Maoist revolution in China and the subsequent takeover of Tibet.
- The 1950 Treaty, in large measure, reflects the provisions of the 1923 Treaty between Nepal and British India.
- The demand to *review the Treaty* was officially raised first in 1995 and in 1996.
- It was on the agenda of the Foreign Secretary's meeting but substantive talks have not taken place.
- **Kalapani boundary issue -** A constitutional amendment was pushed through in Nepal due to internal political turmoil.
- This led to the change in Nepal's map unilaterally and Kalapani boundary was raised as a national issue.
- Notably, India has still not welcomed Nepal's constitution, promulgated in 2015.
- **Gurkha army recruitments -** The practice of recruiting Gurkha soldiers into The Indian Army's Gurkha regiment began in 1816 by the British Indian Army.
- This was continued under a 1947 treaty based on 'equal treatment'.
- The Agni path scheme impacts the recruitment of Gurkha soldiers into the Indian Army's Gurkha regiments.
- The Agni path revision of the terms needs to be discussed between the two armies and the defence and finance officials concerned.
- The Nepali demand is that the Gurkha recruits from Nepal be exempted from the four-year tenure laid down under the scheme.

References

1. The Hindu - More HIT than miss in India-Nepal ties
2. IE - From Nepal, reading Prachanda’s visit to India

