

**Concluding Remarks by Hon. Deputy Prime Minister and Minister
for Foreign Affairs Mr. Narayan Kaji Shrestha at the Third Edition
of Prof. Yadu Nath Khanal Lecture Series
Kathmandu, 14 May 2024**

**Honorable Members of Parliament,
Foreign Secretary,
Keynote Speaker Prof. C. Raja Mohan,
Distinguished Guests,
Friends from the Media,
Ladies and Gentlemen!**

Good evening to you all!

I am delighted to witness the presence of respectable personalities of various walks of life in this third edition of Professor Yadu Nath Khanal Lecture Series. This is a platform envisioned by the Ministry for constructive and insightful deliberations on foreign policy matters of vital national interest. Your valuable presence added significant value to this event.

From what I saw today during the interaction, I am confident that this YNK Lecture Series will contribute remarkably as a platform for generating knowledge and sharing ideas, stimulating thoughts, and expanding the horizon of understanding on the issues of Nepal's foreign policy and diplomacy in the ever-evolving situation and complex dynamics of world affairs.

This time, we had the privilege of pursuing through analysis and thought-provoking ideas from Professor C. Raja Mohan on the theme of '**Nepal-India Relations: Prospects and Pathways.**'

As a renowned professor and a proficient foreign policy analyst, Professor Raja Mohan made succinct analysis of the current global and regional issues amidst which we need to chart our course ahead. He also subtly suggested forward-looking strategy and pragmatic ways of strengthening the bilateral relationship between Nepal and India to forge a harmonious, collaborative, and progressive path for shared prosperity.

Distinguished Participants,

As you all know, Nepal is one of the oldest independent States in Asia and was never ever colonized. Our recorded history even before the unification of modern Nepal speaks volumes about the legacy of our foreign policy with neighbouring countries.

Our foreign policy conduct is based on non-alignment, *Panchasheel*, the principles enshrined in the UN Charter and norms of global peace.

Nepal's foreign policy is directed towards maintaining international relations based on sovereign equality, protecting sovereignty, independence, territorial integrity, and national interest of the country, and promoting national prestige in the international community.

We aim to establish Nepal's credentials as a peaceful, inclusive, and democratic country while striving for sustainable economic growth and development through mutually beneficial partnerships.

Apart from expanding and consolidating bilateral relations with all friendly countries, we also give importance to regional cooperation and multilateral affairs. We believe that today's global problems call for global solutions and that the UN is the best place to play its role.

Our relations with all countries are guided by the theme of friendship, mutual respect, and cooperation.

Nepal has always maintained friendly and cooperative relations with her neighbours. Maintaining close and cordial relationships with immediate neighbours is our top priority while placing the national interest at the core. These relations have expanded manifold in the sphere of political, economic, cultural, and people-to-people relations, among others.

The time-tested wisdom, vision and pragmatism of our predecessors and the magnitude of insights of the person like the late Professor Yadu Nath Khanal are guidelines of the conduct of Nepal's foreign policy towards these objectives.

Dear Friends,

The last two decades have witnessed momentous transformation in Nepal's political system. The promulgation of the Constitution in 2015 was a culmination of our sustained struggle for democracy and peoples' rights. We are now a federal democratic republic essentially with socialism oriented inclusive democracy. This has finally settled the political course for which we fought for long. Democracy and democratic institutions are being strengthened and we remain fully committed to realize the objectives set by the Constitution. People of Nepal deserve the fruits of peace and democracy. We must deliver this.

After the democratic political change, Nepal's main historical task is socio-economic transformation to fulfill the long-held aspirations of Nepali people for tranquility, progress, and prosperity. People of Nepal deserve a better living standard and a dignified life, free from poverty, hunger and backwardness. We are convinced that political gains cannot be sustained without a strong base of economic development.

Our constitution incorporates economic wellbeing and prosperity of Nepali people as a major component of our national interest. The Government has been pursuing economic and development policies to realize this objective.

We are effortful to graduate from LDC status by 2026 and we aim to become a middle-income country by 2030. We also need to meet internationally committed development agendas including SDGs and the Paris Agreement.

These all require rapid economic growth in the country. Resources at our disposal will not be sufficient to materialize these goals and targets. This naturally calls for our deeper engagement with our neighbours and other development partners. We are fortunate that both of our neighbours are among the world's economic powerhouses. Nepal stands to get benefit from their phenomenal growth and prosperity through beneficial collaboration in the high potential areas of trade, investment, tourism, and productive value chains.

Distinguished Participants,

Nepal and India are close neighbours, enjoying a long history of friendship and cooperation.

Geographical proximity; religious, cultural, and linguistic affinity; economic engagements and closely-knit people-to-people connection are the hallmarks of Nepal-India relations. These relations are nurtured by nature and tied by cultural affinities and are, thus, comprehensive, multidimensional and hardly comparable to any others.

But there are some issues between our two countries left over by history that need to be resolved through dialogue and diplomacy on the basis of historical facts and in the spirit of good neighborliness. This will pave the way for bringing Nepal-India relations to a newer height. The government of Nepal is committed towards this end.

Our two countries have set up different bilateral consultation arrangements to promote various aspects of bilateral relations. These arrangements serve as the facilitating instruments of our ever evolving and progressing collaboration and

partnership. Exchange of high-level visits has contributed a lot in cementing ties and promoting and deepening partnership in a number of areas.

There exist huge potential for mutually beneficial cooperation in different sectors. Common efforts to realize these potentials would benefit our two countries and peoples.

Cooperation in the field of energy is highly important. Proper utilization of Nepal's huge hydropower potential can change the development landscape of our region with clean energy.

Connectivity network is being expanded across the border to facilitate trade and transit. We need to further expand and improve the connectivity network.

Both countries will have to find ways to make trade beneficial to both countries. Nepal's export base is very limited. Nepal's trade deficit continues to rise. We need more investment in productive sectors to expand our trade with India and other countries.

Investment in Nepal is secure and profitable. Multinational companies operating in Nepal have been able to repatriate handsome amount from their investment.

Cross border digital connectivity and payment system will facilitate greater flow of tourists from India to Nepal. Rich socio-cultural assets and nature's unmatched treasures make Nepal a round-the-year destination for all and more so for our Indian friends. Both countries can cooperate to further develop this sector.

IT is a promising sector for partnership between our two countries. Collaboration in education, science and technology will also be required to tap the talents of dynamic and burgeoning young population.

Nepal's development and economic prosperity will also be in the interest of our neighbours. We need to visualize a big picture to accommodate legitimate interest of all countries irrespective of their size and strength. After all, we need a peaceful and stable neighborhood. Without economic development and prosperity this cannot be achieved. Partnership flourishes when benefits are judiciously shared. Given its level of development, Nepal needs focused support and cooperation from our neighbours and the international community.

In these lines, Prof. Mohan's advice on pragmatism and interest-based approach could be the propellants towards more harmonious and productive relations for our countries and peoples.

Distinguished guests,

Before closing, I would like to extend special thanks to Professor C. Raja Mohan for his highly engaging and forward-looking presentation. I would also like to thank the participants for their active participation through their constructive comments and creative queries during the Q and A session.

Let me also extend sincere thanks to Professor Jaya Raj Acharya for his contribution as an expert member in the Steering Committee which is mandated to guide the process of this lecture series.

Foreign Secretary and other colleagues in the Ministry who have worked hard to bring this Lecture to you also deserve my compliments.

Special thanks go to the media for their coverage of this program. Through their coverage they have helped disseminate the message of this lecture to a wider audience.

I want to conclude this episode with the assurance that the Ministry will continue this platform both as tribute to Professor Yadu Nath Khanal and a platform to facilitate deliberations on Nepal's foreign policy and international relations.

I thank you all once again.

Have a good evening.