International Relations · GS - II

India–Nepal cooperation in energy, trade and connectivity has the potential to transform their traditional relationship into a development-oriented partnership. Assess the strategic and economic significance of these sectors for strengthening bilateral relations.

EXAM YEAR	PAPER	SUBJECT
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MARKS	WORD LIMIT
15	~250 words

Answer Hint

Neighbourhood First, hydropower cooperation, cross-border electricity trade, petroleum pipelines, trade and transit, multimodal connectivity, regional integration, mutual interdependence

Model Answer

Introduction

India and Nepal share geographical proximity, historical ties and extensive economic interdependence. Cooperation in energy, trade and connectivity provides an important foundation for strengthening this relationship.

Strategic and Economic Significance

1. **Energy security:** Nepal's hydropower potential can support India's clean-energy transition, while electricity exports provide Nepal with revenue and investment opportunities.

2. **Trade and transit:** Nepal's landlocked geography makes access through Indian territory essential for international trade. Efficient customs and transit arrangements can reduce logistical costs.

3. **Physical connectivity:** Railways, roads, integrated check posts and petroleum pipelines improve cross-border movement and strengthen regional supply chains.

4. **Strategic partnership:** Development cooperation creates mutual interdependence and strengthens India's engagement with its Himalayan neighbourhood.

Challenges and the Way Forward

- Resolve project implementation and regulatory bottlenecks through regular consultations.
- Ensure transparent and mutually beneficial energy trade arrangements.
- Address border-related concerns through established bilateral mechanisms.
- Expand digital, railway and inland connectivity.
- Promote local participation and environmental safeguards in infrastructure projects.

Conclusion

A partnership based on reliable connectivity, equitable energy cooperation and sustained diplomatic engagement can generate shared prosperity. Such cooperation can also strengthen regional integration and long-term trust between the two neighbours.

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