International Relations · GS - II

India's development partnership with Nepal extends beyond financial assistance to infrastructure, energy, trade and human resource development. Assess how this multidimensional cooperation can contribute to Nepal's development and strengthen India's neighbourhood policy.

EXAM YEAR	PAPER	SUBJECT
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MARKS	WORD LIMIT
15	~250 words

Answer Hint

Development assistance, concessional financing, cross-border connectivity, hydropower trade, institutional capacity, human resource development, disaster resilience, mutual trust, project implementation

Model Answer

Introduction

India and Nepal share close geographical, historical and cultural relations. Their development partnership encompasses financial assistance, infrastructure, energy cooperation and capacity-building. The recently announced NPR 24,000-crore package and eight MoUs, as reported, illustrate the broad scope of bilateral engagement.

Contribution to Nepal's Development

1. **Infrastructure development:** Investments in railways, roads, bridges and border facilities can improve mobility, reduce logistics costs and strengthen access to regional markets.

2. **Energy security:** Hydropower cooperation and electricity transmission can help Nepal utilise its renewable energy potential while supporting India's demand for cleaner electricity.

3. **Human resource development:** Educational exchanges, technical training and institutional partnerships can improve skills, employment opportunities and administrative capacity.

4. **Disaster resilience:** Cooperation in reconstruction, early-warning systems and disaster response can strengthen Nepal's ability to manage floods, earthquakes and other Himalayan hazards.

5. **Trade and investment:** Better connectivity and institutional cooperation can facilitate cross-border commerce, tourism and private-sector participation.

Significance for India's Neighbourhood Policy

1. **Regional stability:** Development cooperation strengthens mutual trust and supports a stable neighbourhood.
2. **Economic integration:** Infrastructure and energy networks can connect Nepal more closely with regional supply chains.
3. **People-to-people ties:** Cultural, educational and religious exchanges reinforce long-standing societal connections.

Challenges and Way Forward

1. Improve project execution through transparent monitoring, realistic timelines and regular bilateral reviews.
2. Ensure environmental safeguards and meaningful participation of local communities.
3. Respect Nepal's sovereignty and development priorities while promoting mutually beneficial projects.
4. Strengthen coordination among governments, financial institutions and implementing agencies.

Conclusion

India-Nepal development cooperation can generate shared prosperity when financial commitments translate into completed, sustainable projects. Mutual respect, timely implementation and inclusive

development should remain central to this partnership.

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