

Statement by Rt. Hon. Prime Minister Mr. Pushpa Kamal Dahal 'Prachanda'

At the Joint Press Meet between the Prime Ministers of Nepal and India

New Delhi, 1 June 2023

Your Excellency Shri Narendra Modi Ji,

Members of delegation from both sides,

Friends form Media,

Ladies and Gentlemen,

1. Thank you, Prime Minister Shri Narendra Modi Ji, for your kind words. I am equally touched by your warm welcome and generous hospitality.
2. This is my fourth visit to India as the Prime Minister of Nepal. I fondly recall my previous visits in September 2008, and then twice in September and October 2016.
3. I bring with me the greetings and best wishes of the Government and people of Nepal. We are happy to see the remarkable transformation of India's economic and development landscape under the able leadership of Prime Minister Modi ji. I congratulate Prime Minister Modi ji on completion this week of 9 years in government with far reaching achievements on many fronts.
4. The relations between Nepal and India are age-old and multifaceted. These relations stand on the solid foundation built, on the one hand, by the rich tradition of civilizational, cultural scoio-economic linkages and, on the other, by the two countries' firm commitment to the time-tested principles of sovereign equality, mutual respect, understanding and cooperation.
5. Today, as Prime Minister Modi ji mentioned, we made an extensive review of the progress in our relations and renewed our commitments to further strengthen these relations and cooperation. I appreciate Prime Minister Modi ji's 'neighbourhood first' policy.

6. In our meeting today, we discussed the ways to further strengthen cooperation in diverse areas including trade, transit, investment, hydropower development, power trade, irrigation, agriculture, connectivity including air entry routes, railways, bridges, transmission lines, expansion of petroleum pipelines, construction of Integrated Check Posts as well as cultural and people to people contacts.
7. As you all witnessed Prime Minister Modi ji and I jointly launched various projects through remote inauguration, flagging off and groundbreaking. A number of Agreements and MOUs have also been exchanged.
8. We reviewed the progress made in the implementation of hydroelectricity projects in Nepal and towards the construction of cross-border transmission lines. It is one of the most important elements of our economic partnership. Nepal's hydropower can not only contribute to our economies and energy security but also serves as an important factor to realize our climate ambition.

I appreciate India's import of 452 MW of power from Nepal and requested Prime Minister Modi ji for approval of the import of additional 1200 megawatts of power from Nepal including the 456 MW Upper Tamakoshi. I thank Prime Minister Modi-ji for positive response.

Looking ahead, an Agreement on the long-term power trade has been completed. Under this agreement, India will import 10,000 MW of power from Nepal in the next 10 years. This is a major development in enhancing cooperation in this area based on the Joint Vision Statement that the two Prime Ministers issued in April 2022.

I also appreciated India's willingness to facilitate the export of hydropower from Nepal to Bangladesh through India. We have agreed that export of upto 50 MW of power from Nepal to Bangladesh via India would commence soon and the three countries would work out an agreement to this effect soon.

9. Today, we also witnessed the signing and exchange of the Project Development Agreement for the development of 669 MW Lower Arun Hydropower Project and the MoU on the development of 480 MW Phukot Karnali hydropower project. These

projects provide a fresh momentum for power sector development and cross-border trade.

10. Prime Minister Modi ji and I agreed to advance the Pancheswar Multi-purpose Project by concluding the DPR within three months. For this purpose, we have directed our respective officials to expedite bilateral discussions. The modalities of Implementation will be concluded within one year after the approval of DPR by the two governments.
11. We welcomed the construction of the Tanakpur link canal and agreed that water will be released from Tanakpur barrage to irrigation command area of Nepal through this canal in a phase-wise manner, based on the necessary facilities on the Nepali side.
12. I am happy to state that the vital transmission line projects under the LOC-IV will commence soon.
13. Prime Minister Modi ji and I discussed other aspects of cooperation in water resources, including irrigation. We also discussed to resolve the problem of inundation and take appropriate measures for flood control. We have directed our officials to hold meetings of bilateral mechanisms at the earliest to address the issues and find ways for further cooperation before the onset of monsoon.
14. We discussed the promotion of trade and the ways of reducing Nepal's increasing trade deficit with India. India is Nepal's largest trading partner. I have requested Prime Minister Modi ji for non-reciprocal market access to India with more flexible and easy quarantine procedures for Nepal's agricultural products and simplified Rules of Origin for other products. We also discussed the establishment of well-equipped testing labs along the major border points and formalizing of the arrangement for mutual recognition of test certificates. I requested Prime Minister Modi ji to lifting of the anti-dumping duty on Nepali jute products.
15. Integrated check posts and dry-ports are crucial for trade facilitation as well as for seamless cross-border movement of goods and people. Prime Minister Modi ji and I jointly inaugurated the ICP at Nepalgunj-Rupaidiha border and performed remote groundbreaking of the ICP at Bhairahawa-Sunauli border. Similarly, we witnessed

the exchange of the MoU on building of an integrated check post and dry port at Dodhara-Chandani.

16. The revised Treaty of Transit was signed and exchanged today. We have also agreed to direct early convening of the Commerce Secretary level mechanism to initiate the process for review of the Treaty of Trade.
17. The MOU between the NPCIL and NCHL signed today will ease the cross-border payments much needed by the businesspeople, students, pilgrims and travelers of both Nepal and India.
18. We just witnessed the groundbreaking of the phase II of Motihari Amlekhgunj petroleum pipeline. We look forward to its early construction. We have also reached an agreement for the extension of Motihari-Amlekhgunj petroleum pipeline upto Chitwan and construction of a new crossborder petroleum pipeline from Siliguri to Jhapa on grant basis.
19. Prime Minister Modi ji and I jointly flagged-off the cargo rail service between Bathnaha and Biratnagar, Nepal Customs Yards. The passenger rail service between Jayanagar to Kurtha has been extended to Bijalpura. I thank the Government of India for its generous assistance in constructing these railway links. We also held discussions on the early completion of the works in the remaining segments and sustained operation of these railways through training and capacity building of Nepali railway personnel.
20. We discussed about Nepal's request for additional air entry routes. *Nepal welcomes India's positive indication of air-entry route for bilateral flights. It is operationally feasible for ATR aircrafts. We request for approval of high-altitude additional air-entry route from Mahendranagar at an early date.* We appreciate India's approval for near-border flight operation in the Gautam Buddha international Airport in Bhairahawa, Nepal through publishing ILS procedure in the AIP to enhance safety and efficiency of flight operation.

21. We would like to have regular flights from Nepal's newly built international airports of Bhairahawa and Pokhara to and from various cities of India.
22. Prime Minister Modi ji and I have agreed to promote cooperation in the field of agriculture. We look forward to early conclusion of MOUs on Cooperation in Agriculture and in the Field of livestock. We are thankful to the government of India for the gift of improved breed of livestock and hope to receive germ plasm of major cash crops particularly sugarcane and coffee.
23. Today I am really touched by the explanation of the Excellency Prime Minister Modi ji about agriculture development including nano-fertilizer project.
24. Prime Minister Modiji and I discussed the boundary matters. I urged Prime Minister Modiji to resolve the boundary matters through the established bilateral diplomatic mechanisms.
25. I commended the role played and initiatives taken by Prime Minister Modi ji during India's G20 Presidency as well as SCO Chairmanship, including for giving voice to the issues of concerns to the global south. Nepal is happy to join India's multilateral initiatives of the International Solar Alliance and more recently the International Big Cat Alliance.
26. As India celebrates *Azadi Ka Amrit Mahotsav*, I congratulate India for all its achievements – be it in economic growth or industrialization; infrastructure development or science and technology; poverty alleviation or expansion of social security schemes and many other fronts. Nepal sees India's advancement as an opportunity.
27. We also discussed about the establishment of fertilizer plant in Nepal in joint venture and we will try our best to work together for the successful completion of the project.
28. India is Nepal's close neighbor and important partner for development and prosperity. As Nepal moves ahead on the path of graduating from LDC status by 2026, India's continued support and goodwill remains important for us.

29. We have agreed to maintain the momentum generated by this visit and take effective measures for the implementation of the agreements and understandings reached today and earlier.

30. I have extended cordial invitation to Prime Minister Modi ji for a visit to Nepal. I look forward to welcoming him in Nepal soon.

Thank You!