

China-Nepal Relations

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Manifest pedagogy: The continuous increase in the strategic footprint of China in Indian strategic backyard is an important issue for Gs 2 Mains. The implications of the increasing Chinese relation with Nepal, Pakistan and Bangladesh is a cause of concern for India. The counter strategic measures that India is taking in the South China Sea also areas of interest for UPSC.

In news: China and Nepal recently concluded agreements for all-weather connectivity between Kathmandu and Tibet Autonomous Region.

Placing it in syllabus: India and neighbourhood

Static dimensions: History of Nepal- China relations

Current dimensions:

- What is the deal about?
- Impact of such relations on India – Nepal relations
- How should India tackle them?

Content: What is the deal about?

- Around **20 agreements** were signed after delegation-level talks held by Chinese President Xi Jinping and Nepalese Prime Minister K.P. Sharma Oli.
- Both sides gave the green signal for a **feasibility study of the trans-Himalayan rail connectivity**, 70-km (42-mile) rail link aimed at **connecting Gyirong in Tibet and beyond with Kathmandu of Nepal.**



- Alongside, a proposed 28-km (17 mile) **road tunnel** will

more than halve the distance from Kathmandu to the Chinese border.

- A Chinese team has already conducted a preliminary study for the project, which will be part of China's Belt and Road Initiative (BRI).
- The feasibility studies for the construction of the **tunnels along the road from Keyrung in Tibet to Kathmandu** will shortly begin.
- The tunnel network will connect Tokha and Chhahare within Nepal that will ultimately reduce the road distance between Nepal and China.
- The current road network is unsafe as it is prone to disruption due to landslides and poor maintenance.
- Xi has promised to **upgrade the Arniko Highway linking Kathmandu with Tatopani transit point.**
- Nepal agreed to allow **Chinese banks to open branches** and other financial services in Nepal and increase imports from China.
- Nepal also signed a **treaty with China on mutual legal assistance in criminal matters** which will allow China to investigate cases of crime that might target Nepal.
- China will offer **training opportunities to 100 Nepalese law enforcement officers** each year.
- Exchange of visits of security personnel, joint exercises and training of personnel for disaster relief and prevention will be increased.
- **Madan Bhandari University for Science and Technology** will be built as a mark of respect for the late leader of the Communist Party of Nepal.
- A **railway line connecting Kathmandu and Pokhara with** the birthplace of Lord Buddha at **Lumbini** will be built.

History of Nepal- China relations:

- In **1955**, Nepal established **diplomatic relations** with China,
- It **recognised Tibet as part of China** in 1956.

- The role of **India's buffer with China**, played by Tibet passed on to Nepal after the Chinese annexation of Tibet.
- The **growing influence of India as regards Tibet** had grave security considerations for China.
- Thus, preserving the balance of power in southern Asia in its favour and securing Nepal's active cooperation to prevent its rivals' use of the country for anti-Chinese activities became principal strategic objectives of **Beijing's Nepal policy**.
- Indo-Nepalese relations took an ugly turn in **2015**, when **India** imposed an informal yet effective **blockade on Nepal**, thus causing acute fuel and medicine shortages in Nepal.
- Nepal imports almost all of its oil through India, as road links to China through the Himalayas had been blocked since the earthquakes of April and May 2015.
- As tensions with India mounted, **China reopened its border with Nepal, in Tibet**.
- Xi Jinping's **recent visit** to Nepal was the **first by a Chinese leader** to the Himalayan country **in 23 years**.
- Xi has pledged to help Nepal realise its dream of becoming a "**land-linked**" country from a "**land-locked**" country.
- Meanwhile, Nepal has reiterated its commitment to '**One-China policy**', promising not to allow any forces to use its territory against China.

Impact of such relations on India – Nepal relations:

China's active outreach to Nepal in recent years has been partly prompted by India's increasing force posturing along its border in response to China's activities along the border. China's interest in Nepal, further increased after the Tibetan protests during the Beijing Olympics in 2008.

The evolving Indo-US relationship has also played its part. Though Nepal remains an ally of India on paper, it has

constitutionally asserted that its **foreign policy is “based on the Charter of the United Nations, non-alignment, principles of Panchsheel and international law”**. It’s overall national spirit reflects Nepal’s desire to remain neutral, as it did during the Doklam standoff in mid-2017.

The large scale China’s plan and its economic clout is shifting the tide of global order. China’s recent announcement of support for a large number of connectivity projects between China and Nepal is the after effect of Nepal looking to maintain “strategic autonomy” from its southern neighbour India.

However, the agreement on the historically controversial **Arun III hydel project** and India- Nepal cooperation in revitalising **BIMSTEC** are some of the indicators of Nepal’s good intentions regarding India. The joint **Eminent Persons Group (EPG)** has finalised and submitted their recommendations on the revision of the **1950 India- Nepal Treaty of Peace and Friendship**.

How should India tackle them?

Nepal’s emphasis on India needing to deliver on its promises comes from its awareness of **India’s own need to keep Nepal closer** to itself than China.

The message that Nepal remains India’s “client state” will not be helpful to the aims of working towards a higher level of cooperation. India must formulate an **integrated approach towards Nepal** to reflect the current reality and be **proactive with innovative strategies and policies**.

India must introduce **new economic, developmental and infrastructure initiatives** with Nepal that will not only bring tangible benefits to Nepali citizens but also address the vulnerabilities that will emerge in Nepal as the country engages with China.

On the other hand, Nepal cannot dispense with its reliance on

India. India is and will remain vital for the country in many ways. However, **Nepal is now a member of China's massive BRI**, which puts India in a difficult position. India must figure out where it stands vis-à-vis Nepal and in what way it can forward, given the **shifting regional and global structure, technological breakthroughs**, as well as new threats such as terrorism.

As long as the **principles of non-interference and peaceful co-existence** are respected and a high level of political engagement is pursued, there will be bonhomie and cooperation between the leaders of India and Nepal.

The Indian government has made outreach to Nepal a priority its **'Neighbourhood First' policy**. At the same time, Chinese growing presence in Nepal is a reality that India can do little about. Hence, India should be providing an alternative narrative for India-Nepal ties, that takes into account longstanding **people-to-people ties and cultural connect**.