

Prime Minister Oli In India
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On February 19, 2016 after attending the democracy day celebration at Tundikhel along with the president, the speaker and the chief justice, Prime Minister KP Oli accompanied by his spouse Radhika Shakya, his deputy Kamal Thapa, Home Minister Shakti Bahadur Basnet, Finance Minister Vishnu Prasad Poudel, and with about one-hundred-member entourage left Nepal for the State visit to India.

At the Kathmandu international airport were Deputy prime minister acting as the prime minister in absence of Oil, Bijaya Gacchedar, other deputy prime ministers, the speaker, the chief justice and other high officials to see off Prime Minister Oli. All the ministers including the prime minister except for Gacchedar were wearing the Nepalese uniform: a white frock worn over a white trouser, and a grey coat worn over the white uniform, and a black hat. Since the reintroduction of democracy in 1990, the dress code for the ministers and State employees had been relaxed.

Madheshi Nepalese had been sensitive to the dress code. They had demanded that the Terai dress such as kurta (shirt) and dhoti (a long white piece of linen) should be the dress code for the Madheshi ministers. They simply disregarded the fact that the Terai dress code would not tolerate the Kathmandu winter, and Kathmandu has not such summer that they needed to wear the Southern dress to keep cool during the summer. Madheshi leaders had waged an unproductive struggle for the dress code in 2008. However, former President Dr Ram Baran Yadav always respected the Nepalese dress code wearing it at the official appearances.

The Nepal Army presented a guard of honor at the airport. Oli went to stand at the special platform made for him to take the salute. Thereafter, his spouse and he boarded a special black limousine. Then, a special motorcade took him and his spouse to the plane. The high police officers wearing the medals in uniform watched him to board the plane. He flew on the airbus of the Nepal Airlines to New Delhi.

At the Indira Gandhi international airport in New Delhi, Indian Foreign Minister Sushma Swaraj and Minister of State welcomed Prime Minister Oli. Nepalese ambassador to India Deep Kumar Upadhaya, Indian ambassador to Nepal Ranjit Rae, and high officials of the Indian external ministry were also present at the airport to welcome Prime Minister Oli. He briefly talked to the reporters at the VVIP airport lounge. Then, the motorcade drove him to the 'rastrapati-bhavan' (residence of the president).

Speaking from New Delhi on the morning of February 20, 2016, Govinda Chimoria of the Radio Nepal told the anchor of the 'antar-sambad' program that only the minister of state was supposed to receive Prime Minister Oli but Foreign Minister Sushma Swaraj herself went to the airport to receive the Nepalese prime minister.

The Indian establishment had presented Prime Minister Oli with the State reception at the level of the head of State. Only the head of State was lodged in the 'rastrapati-bhavan'. So, Oli in residence at the 'rastrapati-bhavan' received the honor of a head of State.

Then on the evening of February 19, 2016, Oli attended the reception held by the Nepalese ambassador to India on the occasion of 66th democracy day. Speaking at the reception, Oli told that his visit would take the relations between India and Nepal to the new height. He did not bother to explain what the 'new height' means, and how he would achieve it.



Indian Foreign Minister Sushma Swaraj Welcoming Prime Minister Oli at the Delhi Airport
(Source: gorkhapatra)

February 20, 2016



Prime Minister Oli was inspecting a guard of honor at the 'rastrapati-bhavan'.



Modi Watches While Oli Writes

NDTV.com reported that on Friday, February 19, 2016 Nepal warned the failure to enforce the past bilateral agreements and projects might lead to a "deficit of trust". Information Minister Sherdhan Rai said, "many development projects Nepal and India signed in the past had been pending for various reasons and a need for expediting implementation of these projects has been felt. The prime minister's visit would focus on it."

PM Oli will also be visiting China shortly after his return from India, Information Minister Rai said. "The visit will be a historic one and fruitful for the country. Some people have been making remarks that Nepal was playing a 'China card' but the PM's forthcoming visit to the northern neighbor will be just a formality," he said, "However, we are laying down important foundations for making the proposed visit a fruitful one. Nepal government has made necessary preparations for signing trade and transit treaties with China during the upcoming visit."

"The government is also working out grounds for fuel trade with China on long term basis and efforts are on to open and operate more trading points in the country's northern border with China. "Besides these, other important agreements and understanding will be reached with China keeping our national interest at the centre and development needs of the country in mind," he said.

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<http://www.ndtv.com/india-news/failed-projects-may-lead-to-trust-deficit-nepal-warns-india-1279345>

India and Nepal were back on the track of the age-old relations after Prime Minister KP Oli made a state visit to India. The visit was not surely the usual regular one of any Nepalese prime ministers visited India in the past after taking the office, as Oli visited India now after Modi lifted up the undeclared blockade, and Oli in turn set up an eleven-member committee presided over by Deputy Prime Minister Kamal Thapa to redraw the border of the controversial provinces to meet the demands of the protesting Madheshi leaders in support

of them Modi had imposed the blockade. So, both Oli and Modi had made a gesture of 'give and take'.

Modi had put an importance on the Oli's visit sending his External Affairs Minister Sushma Swaraj to the airport to receive Prime Minister Oli even setting aside the already set plan on sending only the Minister of State. Modi further upgraded the status of welcome to Prime Minister Oli to the head of State putting him up at the "rastrupati-bhavan" making him the guest of President of India. Such a rare honor was given to the Nepalese prime minister once in 1990, according to the Nepalese news media and the Radio Nepal: the State-run radio.

A pompous welcome ceremony was held at the rastripati-bhavan to officially welcome Nepalese Prime Minister Oli on Saturday, February 20, 2016. Then, Oli received a guard of honor from the India army. He also inspected the guard of honor.



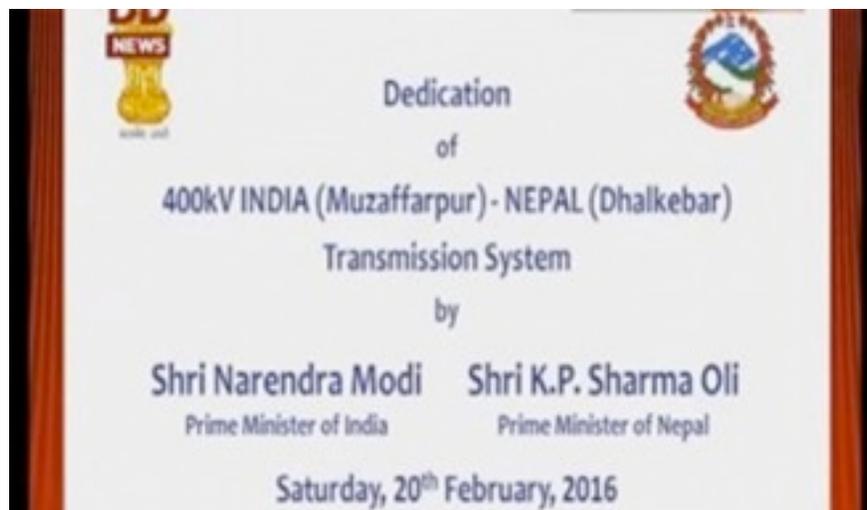
Prime Minister Narendra Modi greeting Nepal's Prime Minister KP Sharma Oli. PTI

Then, both the prime minister held one-on-one talks for more than an hour at the Hyderabad House in New Delhi. After the talks Oli made the statement that from now on the Nepal-India relations must be viewed from the point of taking it progressively ahead. Modi in turn said that after the decades of struggle, the adoption of the constitution was an important achievement in Nepal, according to the State-run Nepalese newspaper 'gorkhapatra' of February 21, 2016. "But its success depends on consensus and dialogue. I am confident on the basis of these principles and through political dialogue and by taking all sections together, you (Oli) will be able to resolve all issues relating to the Constitution satisfactorily and take Nepal forward towards the path of development and stability," the firstpost.com quoted Modi on February 21, 2016.

Both prime ministers had committed to 'India and Nepal jointly counter the terrorism and fundamentalism, and they won't allow their land for the terrorist and criminal acts', according to Prime Minister Modi. "Peace, stability and economic development in Nepal was our objective; stability in Nepal linked with our security," the 'gorkhapatra' of February 21, 2016 quoted Prime Minister Modi.

Both the prime ministers together press the button to open the plaque with the citation of: "Dedication of 400kV INDIA (Muzaffarpur)-NEPAL (Dhalkebar) Transmission System by Shri Narendra Modi Prime Minister of Indian, Shri K.P. Sharma Oli Prime Minister of Nepal. Saturday, 20th February, 2016" at the Hyderabad House in New Delhi.

The transmission line was to carry 80 megawatts power from India to Nepal to mitigate the chronic power shortage in Nepal. The power supply from India would be increased to 600 megawatts within 22 months after the improvement of the substation 132 kV in Nepal, the chief of the State-run monopoly company called Nepal Electricity Authority (NEA) said. The power production in Nepal had been slightly more than 500 megawatts whereas the needs had been about 1,300 megawatts, according to the NEA. India was selling the power to Nepal at Rs 7.035 per unit (kilowatt). The price of power was set at Rs 5.50 per unit, and the price of transmission and the leakage was set at Rs 1.53 per unit, according to the 'gorkhapatra' of February 21, 2016.



Minister for energy Top Bahadur Rayamajhi said that the Cabinet had approved the plan on ending the power outage within two years on the eve of Prime Minister Oli's visit to India. It was clear that he was ending the power outage not by increasing the national power production but importing power from India. It was no doubt a good strategy provided India were willing to sell the power at the price Nepal could buy the power at the price and sell it to the consumers with a little profit instead of investing billions of rupees in the hydropower.

During the prime minister's visit, India and Nepal signed off seven agreements in New Delhi on Saturday, February 20, 2016. They are (I) authorization of using Rs 100 billions (one billion dollars): Rs 25 billion grant and Rs 75 billion soft loan for the post-quake construction (II) building of the long pending postal roads in the Terai areas (III) interaction between the Nepal Music and Drama Academy and the Indian Drama and Music Academy (IV) Transport agreement: a) transit between Nepal and Bangladesh through the Kakarbhitta-Banglabandh, and b) functioning of the Vishakapatnam port (V) railway transport: a)

approval of using the Indian railway to the Vishakapatnam port, and b) approval of using the railway from the Singabhad in India for trade with Bangladesh (VI) functioning of the 400kV INDIA (Muzaffarpur)-NEPAL (Dhalkebar) Transmission System for making immediately 80 MW, 200 MW by October 2016, and 600 MW by December 2017 power to Nepal (VII) setting up an prominent persons' group for reviewing the Nepal-India relations. (Source: grokhatra of February 21, 2016)

Prime Minister KP Oli had the seven-take-home agreements signed by different foreign ministers, ambassadors, and high officials of both the countries. Among them the most significant agreement had been on India giving Nepal the benefits of reaching Bangladesh and on using the Indian port Vishakapatnam for easing the foreign trade of Nepal. Nepalese foreign trade could not flourish because of not having an alternative to the Kolkatta port. Hopefully, the additional Vishakapatnam port would contribute to increase the volume of the Nepalese trade significantly. The Nepalese administration should strictly enforce these agreements unlike the past agreements Nepal had signed with India. Some of the projects signed between Nepal and India had remained dormant for decades.

Before the Oli's visit to India, Modi had sent his special emissary Subramanian Swamy to Kathmandu, to pave the way for the visit. India is also aware that China is waiting in the wings. When Jaishankar was asked if China was discussed he said, "The word China did not come up." Foreign Secretary S Jaishankar was speaking to the reporters at a briefing after the talks between Oli and Modi held at the Hyderabad House, Seema Guha wrote in the article posted on firstpost.com on February 21, 2016.

<http://www.firstpost.com/world/india-and-nepals-relationship-thaws-but-pm-olis-intentions-to-deliver-results-are-as-yet-unclear-2635728.html>

"You don't hit a man when he is down" is entrenched in the culture and etiquette of every fair fight. However, judging from that, it is all the more sad to see that an 'unofficial blockade' seems to be doing just that to Nepal (Nepal was down after the devastating quake hit in Nepal). An acquaintance based in Nepal wrote: "Things are not going well here. India has created an 'unofficial' blockade on borders, stopping pretty much all transportation of goods and cutting off all fuel sources. We are slowly running out of everything including medicines, cooking oil and other essential goods." The blockade of which he writes began on September 23, 2015 and created an economic and humanitarian crisis that severely affected the country and its economy. This was the precise picture the news on the gulfnews.com posted on February 20, 2016 had drawn.

<http://gulfnews.com/your-say/your-view/have-we-forgotten-about-nepal-1.1676101>

After the visit of Nepalese Prime Minister KP Oli to India, everything seemed to be back to the regular business. However, the gas pumps had continued to rob the common folks selling the gas twice the regular government-set price. They could do so following the Oli administration setting the quota of fuel each vehicle could buy in a day. Vehicles had lined up for hours to receive even that quantity of fuel. Fifteen or twenty liters a day would not run the public buses or taxis. So, they were forced to buy fuel at twice the regular price at the parallel market. Oli must have learned from former Prime Minister Grijya Prasad Koirala to ration the fuel for running a parallel market to make a huge profit.

Public transporters had not reduced the bus fares despite the government setting the reduced bus fares, as the transporters claimed that they had to buy the fuel twice the government-set price at the parallel market (they called it black market)). Setting the quota of fuel any vehicle could receive for a day, the Oli administration had deliberately made an environment conducive to the fuel pumps sell the fuels at the parallel market, they said. The parallel marketers had earned billions of rupees from selling the fuel alone. Political analysts

believed that the Oli administration would not tolerate such a parallel market if they were not to have the share in the earnings brought by selling the fuel in the parallel market.

At the event held at the Indian Council of World Affairs in New Delhi on February 22, 2016, External Affairs Minister of India Sushma Swaraj said India welcomed the new constitution of Nepal after its amendment on January 23 meeting most of the demands of the Madheshi leaders, and the rest would be through dialogue; she also extended her best wishes for the successful enforcement of the constitution, thehimalayantimes.com quoted prime minister's Press Adviser Pramod Dahal.

<https://thehimalayantimes.com/nepal/india-welcomes-nepals-amended-constitution/>

February 23, 2016

Annex

List of Agreements and MoUs (as posted on thehimalayantimes.com):

1. MoU on utilization of US\$ 250 million grant component of Government of India's assistance package for post-earthquake reconstruction assistance to Nepal:

Nepal's Deputy Prime Minister holding the portfolio for the Minister for Foreign Affairs Kamal Thapa and India's External Affairs Minister Sushma Swaraj signed off the MoU on the grant assistance.

The MoU includes four sectors such as housing, health, education and cultural heritage. US\$ 100 million would be spent on housing for the construction of 50,000 houses in the 14 districts severely hit by the earthquake. US\$ 50 million each would be spent on health, education and cultural heritage sectors in the 31 districts the earthquake had hit, according to the India's Ministry of External Affairs.

Prime Minister Oli's press advisor Pramod Dahal said that the agreement also included use of the concessional loan of US\$ 750 million

2. MoU on strengthening road infrastructure in Tarai area of Nepal:

Secretary to the Nepal's Ministry of Physical Infrastructure and Transport Arjun Kumar Karki and Indian Ambassador to Nepal Ranjit Rae signed off the agreement enabling the speedy implementation of remaining work on 17 Roads in Package 2, 3, 4, 5 and 6 of the Tarai Road Phase-I project for constructing 518 km. Two roads of the 87 km in the Package 1 had already been completed.

3. MoU on Nepal Academy of Music and Drama and Sangeet Natak Academy of India:
Nepal's Ambassador to India Deep Kumar Upadhyay and Secretary to the India's Sangeet Natak Academy Helen Acharya signed off the agreement on enhancing relations between India and Nepal in the field of performing arts through exchanges of experts, exponents, dancers, scholars and intellectuals.

4. Letters of Exchange on Transit Routes:

(i) Transit between Nepal and Bangladesh through Kakadbhitta-Banglabandha corridor aims at simplification of modalities for goods traffic between Nepal and Bangladesh while transiting through India, and through the Kakadbhitta (Nepal) and Banglabandha (Bangladesh) corridor.

(ii) Vishakhapatnam Port would provide Nepal with transit facilities.

5. Letters of Exchange on Rail Transport:

(i) Rail transport would be allowed back and forth between Vishakhapatnam and Nepal.

(ii) Rail transit facility through Singhabad in India for the Nepal's trade with and through Bangladesh.

6. Inauguration of Muzaffarpur-Dhalkebar transmission line [Initial supply of 80 MW, 200 MW by October 2016 and 600 MW by December 2017]

The Nepal portion of the 400 KV Muzaffarpur-Dhalkebar transmission line is being implemented by Government of Nepal, under a LoC of US\$ 13.5 million. 80 MW power would flow immediately through this line, with an initial charge of 132 KV. Thereafter, it will be upgraded to 200 MW in October 2016 at 220 KV, and then to 600 MW by December 2017 at 400 KV.

7. Establishment of Eminent Persons Group

At the third meeting of the India-Nepal Joint Commission held at Kathmandu in July 2014, it was decided to establish an Eminent Persons Group (EPG). The EPG comprises eight members with each country nominating four members, preferably a parliamentarian, a lawyer, an economist and a civil society activist. The EPG has now been constituted. Its mandate was to comprehensively review bilateral relations and recommend measures including institutional frameworks to further enhance bilateral ties.

Nepal had already nominated Rajan Bhattarai, Bhekh Bahadur Thapa, Suryanath Upadhyay and Nilamber Acharya to the EPG. The Indian side too announced Bhagat Singh Koshyari, Mahendra Lama, Jayant Prasad and BC Upreti to the EPG.

<http://thehimalayantimes.com/nepal/nepal-india-agreements-mous-exchanged-during-pm-olis-state-visit/>