

## India, Nepal to increase people-to-people contact

Divine way:Narendra Modi receiving a memento during a visit to the Pashupatinath temple in Kathmandu on Saturday.AP/Niranjan Shrestha

India and Nepal on Saturday expressed common intent to revise key trade and transport agreements that may allow Kathmandu greater access to the Indian market.

The bilateral understanding came during Prime Minister Narendra Modi's two-day visit to the Himalayan country where he held discussions with all sections of Nepali politics and set a September 2018 deadline for his officials to address bilateral issues.

### Comprehensive review

"... the two Prime Ministers welcomed the outcome of the recently held Inter-Governmental Committee meeting on Trade, Transit and Cooperation to control unauthorised trade to jointly initiate a comprehensive review of the bilateral Treaty of Trade, and to consider amendments to the Treaty of Transit and related Agreements with a view to further facilitating Nepal's access to the Indian market," a joint statement said.

The understanding came days after a senior diplomatic source in the External Affairs Ministry indicated that the treaty of transit would soon be modified to make it more business-friendly. In bilateral discussions with Prime Minister Modi, his Nepal counterpart, K.P. Sharma Oli, sought steps to correct his country's trade deficit with India.

Both sides agreed to intensify land, air and water connectivity and increase people-to-people contact, the declaration said.

### Greater connectivity

"The two Prime Ministers directed the respective officials to expand cooperation in the civil aviation sector, including early technical discussion on additional air entry routes to Nepal by respective technical teams," the declaration said.

Nepal has been demanding a change in the way it conducts its diplomacy and trade with India and the common understanding reached during the visit indicates a forward movement in these matters.

Both the Prime Ministers set a deadline of September 2018 for officials to address outstanding bilateral issues in all areas.

The highlight of the visit was the joint inauguration of the 900-MW Arun-III hydroelectric power project, which was jointly attended by the two Prime Ministers. In this context, both leaders welcomed the meeting of the Joint Steering Committee on cooperation in the power sector held on April 17.

Senior officials earlier had informed the media that Nepal had been negotiating with India the terms of energy trade issued by India's Central Electricity Regulatory Commission.

The focus of Prime Minister Modi's latest visit to Nepal was more on connectivity and trade, in comparison to earlier emphasis on ensuring relief and rehabilitation of the people affected by the devastating earthquake of 2015.

The joint statement described connectivity as “catalytic” in triggering economic growth.

On Saturday, Mr. Modi met Opposition leader and former Prime Minister Sher Bahadur Deuba. He also met the leaders of the Madhesi Rashtriya Janata Party.

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