

200 Years of Nepal-Britain Relations: A Way Forward



Institute of Foreign Affairs



Chevening Alumni Association of Nepal

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Foreword

Nepal-British friendly and mutually rewarding relations spanned more than two hundred years. After the Sugauli treaty of 1816 a watershed treaty of friendship was signed in 1923 that was very vital towards fortifying our independence and sovereignty. UK and Nepal are tied together in development endeavors, safety and security through Nepali soldiers, and long term support in the struggle for democratic peace in Nepal.

This seminar was organized to make both British and Nepali people aware about the excellent state of our friendship and discuss on way forward towards enhanced economic and developmental relationship. It was also to kick-start the celebration of bicentennial of our sustained and mutually beneficial relations.

The “Gurkhas” service in the British army officially started on April 24, 1815. Nepalese soldiers were taken into the British Indian Army in large numbers and have won 13 Victoria Crosses (VC), the highest British gallantry honor. In the days to come there is need to review and assess the contributions and achievements made by the Nepalese soldiers during World War I and II and assess on other various issues of the Gurkha recruitment in the British army.

British support to Nepal started in 1961 and continued with their volunteers, scholarships and many other developmental activities through DFID. From £18.52 million in 2000-2001 the British support has been estimated to be a whopping £103 million this Fiscal year. This is the biggest contributor from amongst the friendly countries for Nepal’s overall development.

Nepal exports Pashmina shawls, goatskin, leather goods, Nepalese paper and paper products, woollen carpets, handicrafts, ready-made garments, silverware and jewellery, whereas we import copper scrap, hard drinks, cosmetics, medicine and medical equipment, textiles, copper wire rod, machinery and parts, aircraft and spare parts, scientific research equipment, office equipment and stationery. The trade is in favor to Britain necessitating a joint review to bridge the gap of trade deficits of Nepal. During Bicentennial celebration marketing Nepal as one of the most beautiful country with home of majestic Mount Everest and birth place of Lord Buddha may trigger the influx of tourists from Britain.

I extend my sincere thanks to Hon. Foreign and Home Minister and Chairperson of IFA, Mr. Madhav Prasad Ghimire for his candid but excellent presentation on the theme of the seminar highlighting the age old and trusted friendship between our two countries.

His Excellency ambassador of UK, Mr. Andy Sparkes CMG deserves special mention for his comprehensive presentation of the special and historical relationship and for highlighting the economic and other cooperation between us.

Many thanks to Mr. Surya Prasad Shrestha, former ambassador to UK for chairing today's presentation session. Similarly Secretary, Foreign Ministry, Mr. Arjun Bahadur Thapa; paper presenter, Dr. Jayraj Acharya, former PR to UN, New York, both of them deserve appreciation. Other invited participants in the field of foreign relations, economy, business, diplomacy, academy and political parties are thankful for their active participation in the deliberations.

Mr. Laxmi Kant Poudel, President, Chevening Alumni Association Nepal deserves special appreciation for being one of the organizers of this seminar and for working very closely with IFA.

My colleagues at the IFA, Deputy Executive Director, Khush Narayan Shrestha, Librarian Mr. Sanu Raja Puri have played crucial role in conduct of this seminar and publication of this book.

The robust interactions of all the participants are testimony of Nepal-British excellent friendship for last two hundred years.

Thank you again!

Dr. Rishi Raj Adhikari
Executive Director

1. Concept of the Seminar

1. Background

Nepal established diplomatic relations with the United Kingdom in 1816. Ever since, friendship, mutual understanding and respect for each other's national interests and aspirations have characterized relations between the two countries. In 1934 Nepal established a legation in London and the two countries exchanged Ministers Plenipotentiary and Envoys Extraordinary. The status of these representatives was promoted in 1947 to the level of Ambassadors, Extraordinary and Plenipotentiary. Since then, this relationship had been strengthened by many high level officials' visits and the continued support from Britain through development and economic cooperation.

Moving forward:

- Encourage high level bilateral visits between the two nations.
- Encourage and hold political dialogue between the political parties and political representatives such as the member of parliaments of the two nations.
- Motivate to establish a bilateral political consultative mechanism.

1.1 *Economic Cooperation:*

British fellowships to Nepal began from the 1950s and financial assistance in 1961. These programs have contributed to addressing Nepal's need for trained, specialized manpower and develop important links between the two peoples. British assistance generally comes now through the Department for International Development (DFID) in the form of an Umbrella Agreement. Its emphasis is on the reduction of poverty in developing countries. The DFID opened its office in Kathmandu in March 1999.

The British aid through DFID for the year 2000/2001 was to the tune of £18.52 million, followed by £22 million in 2002, £35 million in 2004, £47 million in 2005-06, £48.8 million in 2007/08, about £58 million in 2008/09, £60 million in 2011, £57 million in 2012 and planned to spend a whopping £103 in

2013. Different socio-economic activities in Nepal have been implemented from British government assistance. Reducing poverty and social exclusion and thus contributing to a lasting peace have been the principal focuses of this assistance, which include governance reforms; improved basic services for poor people (including basic education, health, water and sanitation, agriculture and rural infrastructure); and peace building and conflict resolution activities.

Way forward:

- Address the effectiveness of aid and development assistance.
- Address the effectiveness of DFID cooperation.
- Explore possible areas of framing agreements in line with trade and investments.
- Explore the possibilities of establishing trade agreements.

1.2 Business and Commerce

Business and Commerce are other important areas where both the countries have been enjoying larger benefits during the last several decades of our relations. The United Kingdom is among the top ten trading partners of Nepal. In 2009 Britain stood as the fifth largest destination for Nepal's exports and seventh largest in imports with a total volume of trade worth NPR 7929 million. Major Nepali exports to the United Kingdom are woollen carpets, handicrafts, ready-made garments, silverware and jewellery, leather goods, Nepali paper and paper products. Nepal's major imports from the United Kingdom include copper scraps, hard drinks, cosmetics, medicine and medical equipment, textiles, copper wire rod, machinery and parts, aircraft and spare parts, scientific research equipment, office equipment and stationary. While the trade has steadily risen between the two nations over the years, the balance of trade has alternatively been negative and positive until 2006 but in the recent past years the gap has been widened showing negative balance in Nepal's favor consecutively.

Recently British investors' interest to invest in Nepal's hydropower and other sector is quite encouraging and Nepal needs to attract British FDI in our priority areas.

Way forward:

- Review the past trade agreements.
- Review the past trade agreements and address the trade deficits.

- Explore the opportunities for foreign direct investments.
- Encourage the UK side to invite business entrepreneurs for exploring the trade and investment opportunities in Nepal.
- Consult and discuss on areas of comparative advantage.
- Talk business.

2. Educational and Cultural Cooperation

British fellowships to Nepal began from 1950s. These programs have significantly contributed to address Nepal's need for skilled, specialized manpower and develop important links between the two peoples. Nepal is appreciative of British peoples' contributions to introduce Nepal in the world, by touching upon, address and highlight the following but not limited to:

- Summary history of education and cultural cooperation between Nepal and Britain
- Highlights of educational and culture related program/project/activities supported by Britain
- Review and Assess the contributions and achievements of education and cultural cooperation with few specific examples
- Challenges and lessons learnt on education and cultural cooperation between Nepal and Britain
- Perception of students, artists, journalist's (cultural exchange, music, festivals etc.)
- Key institutions involved in educational and culture related project/programs
- Improvement suggestion/way forwards

2.1 Human Rights

Nepal is working to pursue the highest levels of human rights and now it is the time to institutionalize our gains.

Way forward:

- British and Nepal share common value and importance of universal declaration of human rights. We share the same human rights perspective towards any violation of human rights including trafficking of citizens. Both countries can benefit multilaterally and mutually by working together on issues of human rights.

2.2 Climate Change

The government is working at home and abroad to adapt to the effects of climate change and reduce greenhouse gas emissions by investing in low-carbon energy sources, increasing energy efficiency wherever possible.

Way forward:

- Explore avenues of joint efforts to mitigate climate change by possibly framing agreements.
- Work together to support each other on climate change at multilateral forums like the UN.
- Explore opportunities of green investments and green economy.
- Explore opportunities of promoting, sustaining and cooperating the areas of renewable energy such as solar energy, wind energy and hydro power.

2.3 Gurkha recruitment

Way forward:

- Review and assess the contributions and achievements made by the Gurkha soldiers during World War I and II.
- Assess on the Gurkha recruitment in the British army.

3. Title: “200 years of Nepal-Britain Relations: A Way Forward”

Against these backgrounds, the Institute of Foreign Affairs and Chevening Alumni Association of Nepal have proposed a program on "200 years of Nepal-Britain Relations: A Way Forward" to further our bilateral relations in new perspective.

3.1 Sub theme:

- Review and reassess the 200 years of bilateral relationship established between Nepal and the United Kingdom.
- Assess the effectiveness of development assistance provided to Nepal.
- Assess the all round aspects of furthering the economic diplomacy between the two nations.
- Assess and emphasize the possible aspects of areas of framing trade and economic agreements between the two nations.

- Assess the possible aspects and areas of cooperation between the two nations at the UN and WTO.
- Assess and work on to establish areas of cooperation in climate change, possibly sustainable development, renewable energy.
- Assess human rights but only from multilateral perspective.
- Assess on the Gurkha recruitment and possibly in line with the addressing equal rights of the Gurkha Soldiers recruited in the British Army.
- Assess the notable achievements made possible through development assistance.
- Assess the education cooperation made possible through bilateral cooperation
- It will suggest pointers to further improve bi-lateral relationship focusing on economic and education cooperation.

3.2 Objectives:

- To make participants and others at large aware on the 200 years of relationship between Nepal and UK
- To explore the development opportunities beneficial to both countries.

3.3 Modality:

There will be one paper on:

1. *Bilateral and Economic Cooperation between Nepal and Britain: A way Forward*

Nepal is receiving critical support in its endeavor to social and economic development from Britain during the last two millenniums. We could discuss about effectiveness and accountability of assistance while emphasizing to shift the focus toward economic diplomacy thereby enhancing bilateral trade and commerce, foreign direct investment, and other related areas so as to emphasize our diplomacy from political to economic spheres.

After the presentation of paper, the session will continue with comments from experts followed by Questions and Answer Session. After the conclusion by the Chair, the session will be closed with remarks from Executive Director of the Institute of Foreign Affairs.



2. Welcome Remarks by **Mr. Khush N. Shrestha, Deputy Executive Director, IFA**

Mr. Chairman,
Chief Guest Hon. Home and Foreign Affairs Minister Mr. Madhav Prasad Ghimire,
His Excellency Mr. Andy Sparkes CMG, Guest of Honor and Ambassador of UK to Nepal,
Former Chief Election Commissioner Mr. Surya Prasad Shrestha,
Dr. Jaya Raj Acharya, Former Ambassador of Nepal, UN, New York
Mr. Laxmi Kant Paudel, President, Chevening Association of Nepal
Distinguished Participants,

Ladies and Gentlemen

I am immensely privileged to extend my hearty welcome to you all for your kind presence at this important talk program on "200 years of Nepal-Britain Relations: A Way Forward", being held here this morning.

With this talk program, we are embarking on a series of celebrations as we come upon the occasion of our bilateral relations reaching 200 years in 2016, which is a milestone in the annals of Nepal's ties with Britain.

Nepal's historical ties with Britain began with the recruitment of Nepalese Gurkhas in the British Indian Army. However, in the last two centuries, our relations have markedly changed as Britain has continuously provided support for socio- economic development of Nepal. Bilateral economic assistance, trade and commerce, tourism, human resource development, and technology have been the primary areas of bilateral cooperation. Moreover, Britain has been one of Nepal's top trading partners. However, the 21st century is likely to bring profound changes in our relations especially through the enhancement of bilateral trade and commerce, and foreign direct investment.

The role of diplomacy in this cotemporary world has also changed radically

with a greater focus on economic diplomacy and an emphasis on trade and investments. Accordingly, Nepal is also changing its focus toward this for the sustainable development of the country.

With this in mind, the Institute and Chevening Alumni Association of Nepal are jointly organizing this talk program today with a paper presentation on “200 years of Nepal-Britain Relations: A Way Forward” by Dr. Jaya Raj Acharya, who is a former diplomat of Nepal to the UN and a well-known scholar of Nepal. I hope his expertise and insights will benefit the policy-making bodies of the Nepal Government.

The session will be chaired by Mr. Surya Prasad Shrestha, a well-known figure of Nepal and former diplomat of Nepal to Britain, whose insights, we expect, will be very useful as well. The commentator for the paper will be Dr. Durgesh Man Singh, former member of the National Planning Commission and former ambassador of Nepal to EU and India. I am confident that their thoughtful insights and experience will be pertinent and useful in determining our policy direction toward future bilateral relations with the United Kingdom.

On behalf of the institute, I would like to extend my heartfelt gratitude to the eminent chairpersons, speakers and commentators for accepting our invitation to participate in this seminar. I am also very grateful to His Excellency Mr. Andrew James Sparkes for kindly accepting our invitation as the Guest of Honor at today’s program.

I would like to express my heartfelt thanks to all distinguished participants and invitees for attending this seminar. Last but not the least, I wish to thank today’s Chief Guest Hon. Home and Foreign Minister Mr. Madhav Prasad Ghimire for kindly accepting our invitation to inaugurate the talk program and deliver the keynote address.

Thank you.



3. Addressed by Guest of Honor **British Ambassador to Nepal, H.E.Mr. Andy Sparkes CMG**

Honorable Foreign Minister Mr Madhav Ghimire,

Excellencies, Ladies and Gentlemen,

I was recently in Biratnagar, and the Nepalese businessmen there were explaining to me their frustrations that quite a lot of their export produce, since it was shipped back through India, appeared to the consumer to be Indian. They wanted help in how to market their produce better to Western markets as “Made in Nepal”. I said that we would try to help, but I also offered this encouragement: “Made in Nepal” would be a positive sale in the UK. The fact that something came from Nepal would incline many Brits to buy it. Such is the affection that my countrymen have for your country, and for Nepalese.

Let me briefly review the history that led to this. Our engagement as nations began rather unpromisingly with a war, and indeed our recruitment of Gurkha soldiers began by effectively stealing from the other side! But in the meantime British fascination with Nepal had already begun- a member of the mission tasked with conducting the tense exchanges before the war was Alexander Buchanan-Hamilton, who made some early and excellent notes and drawings on Nepal’s unique flora and fauna.

After the war, the Treaty of Sugauli formalised in March 1816 established a full relationship with Britain as two independent nations. We chose not to try to colonise, but to partner and influence. We were Nepal’s only such partner between 1816 and 1951! And after initial wariness, relations began to improve, under the long tenure as Resident of another amateur naturalist, Brian Hodgson FRS, from 1829 to 1843. But they really became warm with the visit to the UK in 1850 by Nepalese leader Jang Bahadur Rana, who famously got on so well with Queen Victoria that during his year’s stay she saw him no less than six times. Jang Bahadur in turn became an enthusiast for all things

British. He brought back British architecture, and he started the process of educating the Nepalese ruling class in the UK which continued for well over a century.

Chandra Shamsheer's visit to UK in 1908 kept up the momentum but the next real watershed moment was the signature in 1923 of the Treaty under which the British accepted in writing that Nepal was an independent nation. This was crucial to Nepal's future. Without it, with Indian independence in 1947 Nepal might have been hard put to it to retain its separate identity.

The 20th Century saw another angle on the growing British love affair with Nepal, with the birth of mountaineering as a sport and the British determination to climb the world's highest mountain- Sagarmatha, or Everest. The romance of that quest was embodied in George Mallory, who died climbing Everest in 1924 and whose body was only recently found. Nobody knows whether or not he got to the top, but as we all know, in 1953 a British expedition led by John, Lord Hunt did succeed in putting the New Zealander Ed Hillary and Tenzing Norgay on the top. The British people went wild as the news reached them on the morning of the coronation of their Queen, who is still our Queen today.

And underpinning all this history, of course, was the arrangement whereby Gurkha soldiers were recruited into the British army. We owe them so much. Tens of thousands of them gave their lives for the British cause in two World Wars and they have won many of our highest decorations for bravery. They have in turn been given honour and recognition to Nepal, as home of some of the world's best, most professional and dedicated soldiers. And the money they have earned has, over the years, done much for the prosperity of their communities, communities which we look after today through the work of the Gurkha Welfare Scheme.

So all this is why "made in Nepal" would sell products in the UK. It's why "Sherpa" branded trekking gear is sought after in the UK. And maybe, on the other side, it's why Nepalese people put our flag on their teeshirts, on their scooters, on their shops and their trucks. This is a SPECIAL relationship.

But this is a relationship not just about the past, but the present and the future. In the past, Nepal mattered to us because it was surrounded by countries which we either ruled or influenced. But the South Asia region still matters to us- not any longer because we are a superpower but because of the millions of Britons who come from South Asian origin, and because of the danger the region poses to the world in general if its antagonisms boil over, or if the terrorists who have found shelter in some parts of it are allowed to

overrun the rest, or get their hands on weapons of mass destruction. In such a region, we need Nepal to be a beacon of stability and democracy, a like-minded power growing in prosperity and influence. A South Asian country which keeps good relations with all its neighbours, can host roundtables and broker between them.

That is our strategic interest in Nepal. But there are solid and substantial aspects to the modern relationship beyond that- above all our position as much the biggest donor to the country. That's consistent with the specialness to which I was referring, but also meeting Nepal's absolute need as the second poorest country in Asia.

I recently sat down with the British offices in Nepal- the Embassy, DFID, the Brigade of Gurkhas HQ staff who also run the Gurkha Welfare trust with its 20 Area Welfare centres around the country, the British Council - and we worked out together a one page Strategy for our modern relationship as we approach the 200th anniversary, in other words to cover the period 2013 to 2016.

I'd like to thank the senior colleagues who worked on that Strategy for coming to support me here today. Charlotte Duncan from DFID, Guy Harrison my Deputy Ambassador, Colonel Sean Harris my Defence Attache who is also chief of the Gurkhas here in Nepal and his deputy Lt Colonel Elton Davis, and the Director of the British Council, Brendan McSharry.

I'll now run through that Strategy with a comment on its elements.

First, here is our overarching goal: A peaceful, democratic and inclusive Nepal, with dynamic growth, respect for human rights and continued strong partnership with the UK.

Under that, of course we have the responsibility of any British mission anywhere in the world- to support British nationals in Nepal, through an effective consular service, and also working with the Nepalese authorities to improve air safety for our tourists.

Then, there is our support for development in Nepal. We do this through DFID's work on wealth creation, service delivery, governance, disaster response, building climate change resilience, and improving health. We do it through the British Council's work to support cultural relations, and ELT standards and exam reform in education. And we have some smaller British Embassy project funds which contribute as well.

I'd like to dwell on this a little more and tell you more about what DFID and the Council do.

DFID is the largest single country donor to Nepal. It was before but it is even more now, as we have committed to nearly double our assistance to a total of £106 million a year. This is part of our Prime Minister's global commitment to spend 0.7% of our GDP on overseas development assistance, notwithstanding our economic crisis. DFID's Operational Plan aims to achieve the following results by 2015:

Create 230,000 jobs, 50% of them for women

Build 532 km and maintain 3,700 km of road

Reduce the climate and disaster vulnerability of four million poor people, of which 2.19 million will be women

Support 2100 minors and late recruited former Maoist combatants given training and reintegration support

98 percentage of local government bodies conducting public audits for every project

Avert 108,000 unintended pregnancies

Ensure 110,000 people (53% women) benefit from safe latrines, partly through our support to the Gurkha Welfare Scheme

Amongst the many DFID programmes, I would like to highlight particularly those which will help Nepal to create sustainable growth, move along the path to Middle Income status, and so graduate from dependency on foreign aid altogether. Success will be when DFID is able to leave. So the DFID-supported Centre for Inclusive Growth has continued to tackle the critical constraints to growth. The centre focussed on analytical and legal support to unlock power development agreements to assist Nepal to get a fair deal for its hydro resources. This has contributed to ongoing work on improving the attractiveness of Nepal to foreign investors which DFID supports through the International Finance Corporation. At the same time DFID is working on the design of an Access to Finance programme which should provide small businessmen and farmers with what they need to grow into SMEs and so stimulate employment.

In the general area of infrastructure, jobs and skills, through DFID's work in the last decade, over 1 million people in remote districts have been connected to the national road network through the construction of 1224km of rural roads and 246 pedestrian bridges. In doing so, 16 million days of employment were created for 10,000 poor and disadvantaged people. In addition, 42,000 households have improved drinking water sources, 15,000 households have

improved sanitation facilities and 7,000 households have basic electricity supply. Through skills training programmes 10,000 people have been supported to obtain long term employment, and 21,669 had their incomes improved by the DFID-supported Market Access for Small Holder Farmers Programme and 718 entrepreneurs had their business skills developed.

Turning now to the British Council. Amongst other activities in the financial year 2012/13 the British Council Nepal:

Trained in the field 400 key state school teachers in basic teaching skills, who in turn will cascade down to some 8,000 more

Launched 20 new links between Nepali and UK schools- we now have 310 active school links

Delivered English by radio and learn English Mobile programmes, reaching around 6000 teachers and learners of English

Delivered over 42,000 exams to 31,000 candidates, mostly in the English language, A levels and accountancy

Held our Annual Education UK fair, in which 24 British universities took part. The fair had 3,600 visitors, many of them school and university graduates.

Delivered global on-line English products to thousands of Nepali citizens. That is Learn English, Teach English and Schools on line

Whilst we are on the theme of outreach to Nepalese citizens, I should mention also the BBC Nepal service which reaches 6 million listeners.

The next pillar of our Strategy is supporting conflict resolution and promoting human rights, democracy and good governance in Nepal. Under this I and other staff have been actively advocating for early, free and fair elections to the CA and we are very pleased that the intent to go to the polls in November has not been derailed. The UK will support these elections as the biggest donor- £14 million in all. But we will also see how we can help the CA to reach early agreement this time on an inclusive Constitution, and also advocate for local elections as soon as possible after the CA/Parliament is installed.

We will also work for a justice system which has public confidence and champions the rights of the citizen. We are working on a programme to discuss with the government to begin to achieve that goal. In the meantime DFID has already done a lot for improving the access of women to justice. Through the Women's Paralegal Committee Project we have supported the training and establishment of over 14,000 paralegals (98% of them women)

and 1023 paralegal committees. To date, these have worked on an estimated 25,000 cases, benefitting over 13,000 women in Nepal- many of these cases focussed on domestic abuse and social violence.

Then we are very determined to increase UK business with Nepal. As I said above, we want to improve the climate for business, tackling obstacles to British and other FDI and trade with Nepal. But my target is also to double British exports and increase British investment. Partnerships with existing Nepalese firms, particularly smaller ones looking to grow, to produce for export from Nepal would be the best win/win, since Nepal needs to address her trade deficit. I am keen to encourage Brits of South Asian origin, of whom there are now millions in the UK who have been particularly successful in business, to come out and look at opportunities here and use their South Asian networks. I am in touch also with the Nepalese diaspora in the UK, which is itself significant and includes successful businessmen.

And last but not least of course in our Strategy we want to promote strong relations between the UK and Nepal. An important element in that is continued recruitment of Gurkhas and strong partnership in parallel between the Nepalese and British Armed Forces. General Rana has just paid a very successful visit to the UK which should reinforce the tradition of training of Nepalese Army officers in the UK, and some also in the other direction. The role played by the Nepalese Army in peacekeeping for the UN (7th largest troop contributor) is a great contribution to peace in the world and enhances Nepals' global reputation. We will continue to look for ways in which we can help the NA with this capacity, such as the recent training package we provided in the safe disposal of Improvised Explosive Devices (IEDs) to equip the Nepalese contingent headed out to Mali.

As regards the Gurkhas we are very conscious of the obligations we owe to these brave soldiers and their families. In the UK they are now treated on equal terms and conditions with British-born army professionals. In Nepal, as I mentioned before, the Gurkha Welfare Trust spends millions of pounds a year looking after retired Gurkhas, their families, dependents and even whole communities through its rural development projects, making use of a network of 20 Area Welfare Centres for the purpose, throughout Nepal.

On the visa side, we realise that visas are a nuisance for the many bonafide visitors to the UK from Nepal. Visas unfortunately are unavoidable because of the number of visitors to the UK from many countries who overstay and become economic migrants, imposing a burden on our tax payers and our social security system at a time of economic trouble. Our pledge therefore

is to try to provide options to shorten the waiting time for your passports with UK visas in to come back from New Delhi, the regional issuing centre. Our policy is to provide a high quality and fair service to visa applicants whilst controlling migration to the UK effectively.

Finally, we want to use the theme of this seminar, the upcoming 200th anniversary, to strengthen bilateral cooperation further, looking not just back at the history, but forwards. And, in drawing these remarks to a close, I want to spend a little time on this.

The approaching 200th anniversary watershed gives us a natural opportunity to review, take stock, recommit to an important partnership for the 21st century. That is why we have suggested a roundtable with a visiting senior UK official. There are some parts of the architecture of our relations that we need to spring clean for the 21st century. For example a SOFA (State of Forces Agreement) for our military cooperation, to replace the Dharan Agreement of 1963 under which we still operate at present. We also need an MOU to enable the British Council's new commercial arm to operate as a company and pay taxes, and a code sharing agreement on air services so that we can bring more British and other tourists to Nepal out of London.

I share one vision very strongly with my counterpart Dr Chalise, the Nepalese Ambassador in London. Let us breathe fresh life into our long tradition of academic cooperation and knowledge transfer. The 200th celebration could include seminars and conferences to that end but let us look also for 200th anniversary scholarships to provide a more lasting legacy. Both Dr Chalise and I will work on getting commercial sponsorship for those.

We also need to be more systematic about the links we have. I salute the co-sponsor of this event, the Chevening Alumni Association, and look forward to working more with them on this agenda. In particular, I would like to systematise into one network our many medical and surgical connections and partnerships, and hope to engage the Britain/Nepal Medical Trust, which the other day celebrated its 45th anniversary of work in Nepal, as the natural umbrella for that.

Finally I want to leave you with an image of the modern partnership between Britain and Nepal- with an eye to the future. I highlighted earlier the work DFID is doing to help rural people in particular to cope with climate change. In the past, the UK was a polluter, and we acknowledge that past polluters need to help present victims. Nepal has not been a big polluter. But is one of the most vulnerable victims. At the same time though Nepal is going to be vitally important to the sustainable future for humanity in this whole region,

through responsible use of its clean energy, hydropower and best use of the rivers that flow from the Himalayas, a resource that will become ever more precious in an ever-more populated world.

So here is a partnership. We have the experts in the science, and the engineering. We have the responsibility to help, and we will. Nepal is the head of the Least Developed Countries group in the COP Climate Change talks. We are helping Nepal to get those countries- the main victims- to achieve their objectives at those talks and face up to the big polluters. In cooperation on the green agenda- helping Nepal develop whilst at the same time reducing the global carbon footprint, and preserving Nepal's fabulous environment whilst bringing more people sustainably to see it- we have the basis of a truly modern partnership. In this, as we embark on our next 200 years, we shall be standing shoulder to shoulder to do the right thing, not just for Britain and Nepal, but for the very future of our planet.

Thank you

15 September 2013



4. Key Note Address by
Chief Guest Honorable Madhav Prasad Ghimire
Minister for Foreign Affairs

Mr. Chairman,
H.E.Mr. Andy Sparkes CMG,
Mr. Surya P. Shrestha, Former Chief Election Commission and Ambassador to UK
Dr. Jaya Raj Acharya, Former Permanent Representative to UN
Excellencies,
Distinguished Participants,
Ladies and Gentlemen,

I am pleased to have this opportunity to share my thoughts on the talk program on “200 years of Nepal-Britain Relations: A Way Forward”. I would like to express my sincere thanks to the Institute of Foreign Affairs and Chevening Alumni Association of Nepal for jointly organizing this program. The early thoughts on the topic given by the organizers are significant and relevant as the diplomatic relations between Nepal and the UK are going to be two centuries old in 2016. And we would like to mark this historic bicentenary of the bilateral relations between the two countries with great interest and enthusiasm.

The topic of the talk program is very important as well as profound. It evokes our past and present, but it is not only about the number of years passed. It reminds us of our history and geography. It is both emotional and inspirational. It is about courage and adventure. It is also about the interactions between the two worlds and two peoples. It is about appreciation of culture and values. It is about mutual understanding and respect. It is about evolution. Ultimately, it is about friendship, the kind of friendship that has withstood the test of time.

As the British involvement in our neighbourhood began to consolidate politically during the second half of the 18th century, the channels of communication between Nepal and the British were opened. Our communications and contacts were evident even before the unification of modern Nepal.

Over the period of the past two centuries, Nepal has traversed through different eras in its socio-economic evolution. The country has been confronting a number of internal and external challenges. The country also underwent more than a century of dark period during the rule of Ranas till 1950, in virtual isolation from the rest of the world. Poverty and backwardness characterized the socio-economic state of the country. Nevertheless, Nepal's relations with the United Kingdom have been matured steadily throughout all the upheavals.

The visit by the then Prime Minister to the UK in the mid-nineteenth century is not only remembered for the interesting anecdotes, but also for being an important event, first of its kind, in the diplomatic history of Nepal. The visit succeeded in creating tremendous amount of goodwill between the two countries. The first ever visit by the Nepalese Prime Minister also proved to be an enlightening one with deep impressions. While the visit further consolidated the bond between the two countries, it also became a source of inspiration for new taste in arts and architecture in the country. The exchange of high level visits in the early 20th century also contributed significantly to the further strengthening of our ties. Subsequent signing of a new Treaty of Friendship, upgrading of the status of British Representative in Kathmandu, opening of the Nepalese Legation in London and further upgrading of the status of representatives to the level of Ambassador during the first half of the 20th century further consolidated the foundation of the traditional relations.

Since the 1950s, our bilateral relations have taken a new turn. The UK has been extending its valuable support and cooperation in our struggle for both development and democracy. The British cooperation covers many important facets of our lives and is considered key to our socio-economic transformation. Similarly, the UK has been sharing with us the ideals of democratic values. Trade and investment are other areas where Nepal and UK work together. Private sector engagement has proved beneficial to both the countries.

People-to-people contact also constitutes an important dimension to our bilateral relations. Besides the exchange of visits at the highest level, the British people have been interacting with the people of Nepal with keen interest, also as visiting tourists. More comfortably, Gurkha Soldier, British volunteers have been gaining different perspective of the developing world during their stay in Nepal while contributing towards improving the lives of people here. They have been enthusiastically doing so for almost half a century. Similarly, the UK has been an attractive destination of higher education for the talented students in Nepal. Exchanges at different levels have been significantly strengthening the cordial ties between the two countries.

Today, Nepal is undergoing both political and socio-economic transformation. We have already institutionalized some of the important political changes, and are now geared towards the second elections to the Constituent Assembly on November 19 so that we can complete the task of drafting a new constitution which we aspire for long time. As our socio-economic transformation is key to our sustainable peace, stability and democracy, we also need to remain focused on our economic agenda. We are keen to promote our economic partnership with our friends in the international community. The UK has been an important and consistent partner in both our democratic process as well as economic endeavors. In view of the solid foundation of our age-old ties, we intend to further enhance the level of our economic partnership for mutual benefit in the days to come.

Ladies and Gentlemen,

The bicentenary of diplomatic relations is an important milestone. And the excellent state of cordial and cooperative relations is in itself a great cause to celebrate. It is a rare feat in the history of state-to-state relationships. As partners in this accomplishment, both Nepal and the UK will have plenty of cause to celebrate. Nevertheless, it may also give us an occasion to reflect on our past deeds only to learn lessons and take cues to further consolidate our bond, to further ameliorate our way forward. We need to get ready for the next century.

I believe that the current program signifies a good beginning towards that end. Many more aspects of our relations need to be highlighted in order to explore many more opportunities that lie ahead of us. Let us take this opportunity to draw inspiration from the strengths in our relations and discuss the potential and prospects for the way forward.

Once again, I would like to thank the Institute of Foreign Affairs and the Chevening Alumni Association of Nepal for their initiative to organize this talk program and extend my best wishes for a very useful and productive session.

Thank you very much.



5. Inaugural Closing remarks by **Dr. Rishi Raj Adhikari Executive Director, Institute of Foreign Affairs**

A very good morning to all of you!

Hon. Foreign and Home Minister and Chairperson of IFA, Mr. Madhav Prasad Ghimire,

His Excellency ambassador of UK, Mr. Andy Sparkes CMG,

Surya Prasad Shrestha, former ambassador to UK and former Chairperson, Nepal Election Commission and chairperson of today's presentation session,

Paper presenter, Dr. Jaya Raj Acharya, former PR to UN, New York,

Today's Commentator, Dr. Durgesh Man Sjngh,

Laxmi Kant Poudel, President, Chevening Alumni Association Nepal

Eminent personalities in the field of foreign relations, economy, business, diplomacy, academy and political parties.

Friends from media,

Colleagues from Ministry of Foreign Affairs, other Ministries, All other invited guests and my co-workers from the Institute of Foreign Affairs,

I thank Hon. Minister and HE ambassador of UK for their eloquent and thought provoking ideas on the theme of the seminar and for setting the tone for the following session.

I am thankful to all of you to have come to participate in this important seminar on our request in spite of your busy schedule.

This talk program is testimony of Nepal-British excellent friendship for last two hundred years.

There are two objectives of the seminar:

To make participants and others large aware on the 200 years of excellent relationship between Nepal and UK and explore the development opportunities beneficial to both countries.

Focus of the Talk program:

The focus of the program is to assess the effectiveness of UK development assistance to Nepal and furthering the economic diplomacy; emphasize on areas of framing trade, economic agreements climate change, sustainable development, renewable energy and together with education cooperation through bilateral cooperation.

Bilateral relations:

We have heard this morning that Nepal-British relations spanned more than two centuries and have been characterized by friendship, mutual understanding and rewarding with respect for each other's national interests and aspirations. There continues to be deep cultural ties and exchanges, which is greatly helped by the presence of a large and growing Nepali community in the UK. After the Sugauli treaty of 1816 a watershed treaty of friendship was signed in 1923 that was very vital towards maintaining the independency and sovereignty of Nepal. The UK is highly regarded in Nepal and vice versa. Both countries have been engaged in development endeavours, safety and security through Nepali soldiers, and long term support in the struggle for democratic peace in Nepal.

In the days to come high level bilateral visits between the two nations and political dialogue between the political parties and political representatives of the two nations need to be encouraged following a bilateral political consultative mechanism.

There have been numerous exchanges of visits between two countries, including Nepalese kings, prime ministers, army chiefs and Her Majesty the queen and other senior dignitaries from Britain. We request Your Excellency to facilitate HE Prime Minister David Cameron's visit to Nepal to mark our bicentennial relations as the first British Prime Minister to visit Kathmandu during this period.

The Gurkhas soldiers were taken into the British Indian Army in large numbers and have won 13 Victoria Crosses (VC), It is about time that we review and assess the contributions and achievements made by them and cordially resolve any issue that is remaining.

The Department for International Development (DFID) started working in Nepal since 1999. The UK is also the largest bilateral donor to Nepal with £18.52 million in 2000 to a whopping £103 million this year. Assessing the effectiveness of this development assistance and future of expansion of FDI is the need of the hour.

Major Nepalese exports are traditional artefacts including pashmina and silverware whereas imports from UK include hard drinks, medicine and equipment, aircraft etc. The trade is in favor to Britain. There are hundreds of joint ventures and an agreement on Promotion and Protection of Investment. The issue of trade deficits and exploring the opportunities for FDI is very much in need.

Tourism is another area of great potential and as part of bicentennial celebration Nepal can be marketed as best tourist destination being the home of lofty Himalayas and the majestic highest peak Mount Everest and birth place of Lord Buddha.

In the days to come we need to explore avenues of joint efforts to mitigate climate change by possibly framing agreements; work together to support each other on climate change at multilateral forums like the UN; explore opportunities of green investments and green economy; explore opportunities of promoting, sustaining and cooperating the areas of renewable energy such as solar energy, wind energy and hydro power.

In the area of human rights British and Nepal share common value and importance of universal human rights. There is need to co-work more vigorously against human trafficking and other areas of rights violations.

Thank you all for honouring our request for participation. I expect active participation from all of you in the next session.

Thank you again!



6. Paper presentation on **Nepal- Britain Relations Background and the way forward by Dr. Jaya Raj Acharya**

BACKGROUND FACTS BEFORE THE ANGLO-NEPAL WAR

KINLOCH EXPEDITION 1767

The first instance in the history of diplomatic relations between Nepal and the Great Britain was the Kinloch Expedition sent at the request of JayaprakashMalla of Kathmandu to retaliate the unification campaign of Prithivi Narayan Shah. Infact, the Company Government was also waiting for such chances to come and to penetrate in Nepal and to suppress the Gorkha raja as they were already annoyed by the Gorkhas because of this policy of unification of Nepal and expansion of territories. The expansion of domination from both sides was inevitable to meet one day in the battlefield.

JAMES LOGAN MISSION

As a first attempt of the British to make friendship with the Nepalese, the James Logan Mission of 1770 was the best and a brilliant example of the policy of conciliation played by the British which was to establish a commercial relation with Nepal to fulfil the British aspiration to develop trans-Himalayan trades. However, it proved unsuccessful and the mission was left unaccomplished.

MR. FOXCROFT MISSION

This mission's primary aim was to establish friendly relations with Nepal in order to allow the company to fulfil the revival of trade relations between Nepal and Bengal. Subsequently, following the unification on consolidation of the greater Nepal, PN shah, in order to acquire Ameerpur and Bijayapur from Morang, sought to cultivate friendly relations with the Company. The Company and PN shah developed a mutual understanding not to interfere in each other's affairs. Therefore, the Company sent a mission of Mr. Fox Croft to

proceed towards Nepal. But the mission never reached Kathmandu and what happened to this mission is still unknown.

KIRKPATRICK MISSION

In February of 1793, under the leadership of Capt. Kirkpatrick, a British mission left for Kathmandu. They went with two hopes i.e. to establish the residency in Nepal and to carry out the signed commercial treaty of 1792. But due to the lack of reciprocity and willingness on the part of Nepal, the mission could not be successful. (An Account of the Kingdom, Kirk Patrick, 1811)

THE ANGLO-NEPAL WAR OF 1814

The Gorkha power at its zenith in 1804, touched Sikkim in the east, Kangra in the west and Tibet in the north, was however aware that sooner or later clash with the British would be unavoidable. With Nepal's policy of military conquest, areas were expanded through the use of force. While trying to acquire Kangra, the Gorkhas and the Sikhs, the two strongest races in Asia, fought each other only to allow the British 'the company' to observe them, weaken them and determine their next strategy. Some historians are of the opinion that the attack of Kangra was in fact a grave mistake committed by the Nepalese because it exposed their inner desire of policy of expansion which roused the fear of neighbouring Indian states, which resulted into their non-cooperation during the Anglo-Nepal war of 1814.

THE WAR DESIGN

With the two sides ready to fight the war of the century that led to the treaty of Sugauli in the end, was embarked by commanders on both the sides with Nepal's strength of Army lesser than the British India. However, bravery, fearlessness attributed the Nepali soldiers who fought with all their might.

The Commander-in-Chief of the British forces was Lord Moira. All four divisions composed mostly of Indian Sepoys. Ochterlony's army was the only division without a single British battalion.

BATTLE OF NALAPANI

The Battle of Nalapani was the first battle of Anglo-Nepalese War. The battle took place around the Nalapani fort, near Dehradun, which was placed under siege by the British between 31 October and 30 November 1814. The fort's garrison was commanded by Captain Balbhadra Kunwar, while Major-General Rollo Gillespie, who had previously fought at the Battle of Java, was in charge of the attacking British troops. The failure to obey the field orders

by his men led Gillespie to be killed on the very first day of the siege while rallying his men. Despite considerable odds, both in terms of numbers and firepower, Balbhadra and his 600-strong garrison successfully held out against more than 3,000 British troops for over a month.

After two costly and unsuccessful attempts to seize the fort by direct attack, the British changed their approach and sought to force the garrison to surrender by cutting off the fort's external water supply. Having suffered three days of thirst, on the last day of the siege, Balbhadra, refusing to surrender, led the 70 surviving members of the garrison in a charge against the besieging force. Fighting their way out of the fort, the survivors escaped into the nearby hills. The battle set the tone for the rest of the Anglo-Nepalese War, and a number of later engagements, including one at Jaithak, unfolded in a similar way.

The experience at Nalapani so discomfited the British that Lord Hastings so far varied his plan of operations as to forego the detachment of a part of this division to occupy Gurhwal. He accordingly instructed Colonel Mawbey to leave a few men in a strong position for the occupation of the Doon and to carry his undivided army against Amar Singh's son, Colonel Ranajor Singh Thapa, who was with about 2300 elite of the Gorkha army, at Nahan. It was further intended to reinforce the division considerably; and the command was handed over to Major-General Martindell. In the meantime Colonel Mawbey had led back the division through the Keree pass, leaving Colonel Carpenter posted at Kalsee, at the north western extremity of the Doon. This station commanded the passes of the Jumna on the main line of communication between the western and eastern portions of the Gorkha territory, and thus was well chosen for procuring intelligence.

THE TREATY OF SUGAULI

Sugauli treaty was first signed on 2nd December, 1815 and then it was revised on March 1816 returning the Tarai territory from East of Rapti River to the West of Mechi back to Nepal.

Signed between the then East India Company and the Government of Nepal, also known as the border treaty, on the 4th of March of 1816, the treaty of Sugauli embarked the establishment of a British representative in Kathmandu and allowed Britain to recruit Gorkhas for military service and the loss of right to deploy any American or European employee in its service. Following the ending of the Anglo-Nepal war that was fought for two years, from 1814-1816, the expansion and unification of smaller states into greater Nepal as a visionary goal of PN Shah collided with the British India's interest that sort

of developed a deterrence through Nepali expansion which eventually led to the Anglo-Nepal War. Sovereignty topped the foreign policy and commercial relations that the British Indians wanted to explore with the Nepalese was beyond reality and after several failed missions, the war occurred. The resort to war by both parties was settled through the Treaty of Sugauli.

Here are the nine articles of the Sugauli Treaty:

1. There shall be perpetual peace and friendship between the East India Company and the king of Nepal.
2. The king of Nepal will renounce all claims to the lands which were the subject of discussion between the two States before the war; and will acknowledge the right of the Company to the sovereignty of those lands.
3. The king of Nepal will cede to the East India company in perpetuity all the under mentioned territories: i) The whole of low lands between the rivers Kali and Rapti. ii) The whole of low lands between Rapti and Gandaki, except Butwal. iii) The whole of low lands between Gandaki and Koshi in which the authority of the East India Company has been established. iv) The whole of low lands between the rivers Mechi and Teesta. v) The whole of territories within the hills eastward of the MechiRiver. The aforesaid territory shall be evacuated by the Gorkha troops within forty days from this date.
4. With a view to indemnify the chiefs and Bhardars of Nepal, whose interest will suffer by the alienation of the lands ceded by the foregoing Article (No. 3 above), the East India company agrees to settle pensions to the aggregate amount of two lakhs of rupees per annum on such chiefs as may be decided by the king of Nepal.
5. The king of Nepal renounces for himself, his heirs, and successors, all claim to the countries lying to the West of the River Kali, and engaged never to have any concern with those countries or the inhabitants thereof.
6. The king of Nepal engages never to molest or disturb the king of Sikkim in the possession of his territories. If any difference shall arise between Nepal and Sikkim, it shall be referred to the arbitration of the East India Company.

7. The king of Nepal hereby engages never to take or retain in his service any British subject, nor the subject of any European or American State, without the consent of the British Government.
8. In order to secure and improve the relations of amity and peace hereby established between Nepal and Britain (East India Company), it is agreed that accredited Ministers from each shall reside at the court of the other.
9. This treaty shall be ratified by the King of Nepal within 15 days from this date, and the ratification shall be delivered to Lt. Col. Bradshaw, who engages to obtain and deliver to the king the ratification of the Governor-General within 20 days, or sooner, if practicable.

JUNG BAHADUR RANA VISITS BRITAIN 1850

The visit of the first South Asian Leader to Britain, Prime Minister Jung Bahadur Rana, was a celebration for Nepal-Britain relations. The visit not only showcased Nepal in the persona of Jung Bahadur Rana as confident, strong and sophisticated but also strengthened the alliance between the two nations. Both aristocracy and nobility vied with one another to give him the most opulent reception possible.

Jung had easy access to the drawing rooms of the rich and famous. He was a man of action and his one goal was still unrealized which made him restless: his eagerly awaited audience with Queen Victoria who was resting after giving birth to a son. Later he met Queen Victoria several times during his stay in the UK.

Jung spent his days in Britain reviewing march-pasts, inspecting armories, visiting factories and getting a close glimpse of the masters of India he so admired. He knew that to preserve Nepal's sovereignty an alliance with Britain was not only necessary but absolutely essential.

The Kingdom of Nepal was a friend of Great Britain and the supplier of the hardy Gorkha soldiers the Raj relied upon in those turbulent days of anarchy and mutiny in India.

Jung Bahadur stayed a total of three months in England, mostly in London but also visited Coventry and Edinburgh. He returned back to Nepal with strong sovereign ties between Nepal and Great Britain which so strongly remains till today.

NEPAL'S ASSISTANCE TO BRITAIN

SUPPRESSION OF THE INDIAN SEPOY MUTINY OF 1857 AND THE RETURN OF THE NAYAMULUK

With the state expansion initiated by Gorkha ruler Prithivi Narayan Shah in the late 18th century, Gorkhas took control of many parts of Madhesh by paying tax to Nawabs and the East India Company. However, the part of Madhesh present today in Nepal is a result of the memorandum of 1816 and the treaty of 1860 with the East India Company.

Through the memorandum of 8 December 1816, the Company government handed the region between west of Koshi and east to Rapti river to Nepal instead of paying two hundred thousand rupees per year as agreed previously on Gorkhas request for supporting living cost of their employees. The region west of Rapti and east of Mahakali came through the East India Company for suppressing Sepoy Mutiny of 1857 and is also called the NayaMuluk. By personally leading the military contingent to assist besieged British Troops in Lucknow during the Sepoy mutiny in 1857, Jung Bahadur proved Nepal's friendship with the British.

BOXER REBELLION

A secret society formed out of the Chinese peasants to rid the nation from foreign influence of any sort specially the Christian missionaries, with the full support from the Empress Dowager led a full-fledged rebellion to eliminate all sort of foreign influence from China. This was called the Boxer Rebellion. With the order given by Empress Dowager on June 18, 1900 to kill all foreigners, to retaliate her action, an intervention of the international force of 2100 American, British, Russia, French, Italian and Japanese soldiers took Peking and subdued the rebellion.

The Boxer rebellion in China brought about some complication in British Nepal relations because of the British decision to include a Gorkha Rifles unit in the Indian Army detachment sent to China. Nepal reacted negatively since it would bring serious embarrassment in Nepal's relations with China. Bir Shumsher Rana communicating to the British resident in Kathmandu, Colonel Loch expressed reservation about the Nepalese soldiers being sent to China on the basis of caste restriction which did not allow the Nepalese soldiers to cross the sea without losing their caste. However, Lord Curzon replied that Gorkha regiments in the British Army had crossed the sea on previous

occasion without losing their caste. So, in July 1900, the first Battalion of the Forth Gorkha Rifles was sent to China.

NEPAL'S ASSISTANCE TO BRITAIN IN WORLD WAR ONE

While the British waged wars during the period of the first world war, the Nepal army participated in the war to fight as a part of the then British Indian Army itself sending a troop of the cream of its manhood and proportionately a higher percentage of military aged men than most countries. The involvement of Nepali soldiers in the First World War was a decisive factor in the victory of Britain in the war.

NEPAL'S ASSISTANCE TO BRITAIN IN WORLD WAR TWO

During world war two, an internal treaty was agreed upon between the Nepal and Britain with regard to the mobilization of the soldiers. The Nepalese fought within the British Gorkha units and were engaged in combat all over the world. The Nepalese Units also allied with the British allies during the war. The Nepalese troops fought courageously with distinction within the British Deployment during the Britain-Japan war in 1941, which eventually forced the Japanese to retreat. The Nepali soldiers from the Nepal Army fought for the allied forces in Europe and Africa as well.

Sixteen battalions of the Royal Nepalese Army (RNA) fought Japan on the Burmese front. In addition to military support, Nepal contributed guns, equipment as well as hundreds of thousands of pounds of tea, sugar and raw materials such as timber to the allied war effort.

During World War II, there was an internal treaty between Nepal and Britain about the mobilization of Nepalese soldiers. In addition to RNA troops, Nepalese fought in the British Gurkha units and were engaged in combat all over the world. Gurkha troops were part of the allied occupation force in Japan.

The Nepalese units which took part were Sri Nath, Kalibox, Surya Dal, Naya Gorakh, Barda Bahadur, Kali Bahadur, Mahindra Dal, Second Rifle, Bhairung, Jabbar Jung, Shumsher Dal, Sher, Devi Dutta, Bhairab Nath, Jagannath and Purano Gorakh Battalions. Besides, there were many high ranking Nepalese in the joint Army HQ. Commander-in-Chief Kiran Shumsher Rana and Field Marshall Nir Shumsher Rana were liaison officers from the Royal Nepalese Army.

When Japan went war with the United Kingdom in December 1941, the British presence was threatened in the Indian subcontinent and so Britain deployed

its troops in India and on the Burma front. Nepalese battalions – Mahindra Dal, Sher, Kali Bahadur and Jagannath- were also deployed. These Nepalese battalions fought under the Allied Command. The Jagannath Battalion took part as engineers in order to construct tracks, bridges, water points, etc.

Nepalese troops fought with distinction in the British 14th Army under Lieutenant General William Slim and helped force the eventual Japanese retreat. Finally, following the atomic bomb attacks on Hiroshima and Nagasaki, Japan surrendered. Most Nepalese troops were withdrawn to Kathmandu in October 1945. A grand victory parade was held on 28 October 1945 where many Nepalese soldiers, officers and associated British officers were honoured for their appreciable performances.

NEPAL'S ASSISTANCE TO THE YOUNG HUSBAND EXPEDITION

Maharaja Chandra Shumsher Rana decided to help the British Mission led by Francis Young Husband to Tibet in 1903-4 with logistic support (by providing porters and yaks) to put pressure on Russia to vacate its presence in Lhasa threatening the British and Nepalese interests in Tibet.

BRITAIN'S ASSISTANCE TO NEPALI EDUCATION

When Jung Bahadur visited London, he saw, besides other things, educational institutions there. It was probably impossible for such a keen observer to overlook the importance of education for strengthening the sole of a nation. He also realized the need of English as a medium of communication with the British whom he had watched with a sense of awe. He also wanted his successors to speak English so that they could communicate directly with the British with whom he himself had to communicate with interpreters. Upon his return to Nepal, he established a school for his own children and close relatives to learn English, history and some mathematics. In 1854, the school was established inside the palace premises of Jung Bahadur Rana in Thapathali. As it was established in the palace, it was called Durbar school. Later the building of the school was built on the west bank of Ranipokhari. Mr. Canning was the tutor in the school established by Jung Bahadur Rana in his palace.

This was the beginning of institutionalized English style education in Nepal.

Chandra Shumsher Rana

Chandra Shumsher Rana was also a great admirer of the British culture and education. One of the very historic steps that he took as prime minister of

Nepal was to establish the Tri Chandra College for higher education in Nepal. The curriculum taught at the college was approved first by Calcutta University, later on Tri Chandra College was affiliated to Patna University probably for logistical reasons. He also abolished slavery in Nepal for which he must have been inspired by the abolition of slavery and child labour in Britain.

Tri-chandra College

Tri-chandra college, established in 1918, by Chandra Shamser Rana was the first and only college that was looked upto by all education seeking Nepalese although it was restricted to the close relatives of the Ranas and their favourites. It was however a kind of expansion of promotion of education that was started in Durbar School by the first Rana Prime Minister Jung Bahadur Rana. The inevitable consequence of establishing Tri-chandra college was that it was the center of social and political awareness among the educated youth. Apprehensive of that, Chandra Shumsher was reported to have said on the day he inaugurated Tri-chandra College that it was like striking his own foot with an axe.

Chandra Shamsher was the first Rana to pass Entrance Examination in Calcutta. He also visited London. Though Beer Shamsher established Durbar High School, Chandra Sams her opened the same for Commoners. In 1918, he also brought higher education to the common man's reach when he set up Tri-Chandra College, Nepal first college. All the Rana Prime Minister initiated high schools such as Juddhodaya High School, in Kathmandu, Padmodaya High School, in Kathmandu were given British style education which could generally be called western education in Nepal. The inspiration however was the continued tradition started by Jung Bahadur and Chandra Shumsher Rana.

British assistance in education continued through the 1950s when the British Government provided scholarships to the Nepalese to study in England. Some of the famous Nepalese who went to England in the early 1950s were Professor Yadunath Khanal and Dr. Pinaki Prasad Acharya. Later on Professor Kamal Prakash Malla and many others went to the UK for higher studies.

In medicine, Dr. Mrigendra Raj Pandey, the most notable cardiologist of Nepal was among the first Nepales to go to England for higher studies in medicine. Later on, Dr Gangol, Dr. Ram Prasad Pokhrel, Dr. Himanga Dixit, Dr. Upendra Devkota, Dr. Madhu Ghimire and a host of others pursued their studies and returned to Nepal with degrees such as FRCS and FRCP specializing in various fields in medicines.

In Nepal itself the British assistance is visible in various sectors such as education, infrastructure and agriculture. In recent decades, the most notable British assistance in the field of education was the establishment of Budhanilkantha School which was initially administered by the British teachers. Budhanilkantha School still remains one of the very best in the country.

In terms of infrastructure, the Dharan-Dhankuta highway followed by many linking most of the eastern hill districts seem to be the most visible project completed with British assistance. The agricultural promotion activities run at the Pakhribas and Lumle agricultural research centres are most notable.

Yadunath Khanal (1912-2004) in London 1952-53

During king Mahendra's rule, Nepal opened its doors to the outside world of the Cold War. In such as critical time, Yadunath Khanal served as Nepal's ambassador to China, India, and the United States and worked for good relationship with these countries. Moreover, it is often said that while Prithivi Narayan Shah unified Nepal and Bhanu Bhakta Acharya standardized the Nepali language, Yadunath Khanal intellectualized Nepal's foreign policy as he explained and interpreted it in modern diplomatic terminology. His education in Nepal, India and Britain definitely had played key role in shaping his intellectual abilities.

Budhanilkantha School

One of the premier schools in Nepal- Budhanilkantha was established based on a joint venture between Nepal and Britain in 1972. Nepal government provided the required land and the British government provided all the technical and financial assistance.

It was administered by British management till 1994. A major change came in 1991 when the school was switched from 'Boys only school' to a co-educational institution. The first batch of girls (14 in number) was introduced into the system the same year. The addition of two hostels, one of which was inaugurated by the late Princess Diana, in 1992 facilitated the increase in the girls' population.

It has produced scholars who have topped the Cambridge –A levels exams all over the world. It has brought forth notable alumni in Nepal. Budhanilkantha School was the first school to introduce GCE Advanced Level in Nepal. It currently offers A-Levels in Physics, Chemistry, Biology, and Mathematics, further in Economics, Business Studies, Sociology, Accounting and English Language.

Budhanilkantha was meant for Dipendra

The then Crown Prince Dipendra was one of the most famous alumni of the school. He eventually joined Eton College for higher studies in England later on.

Culture and Architecture of Rana Palaces influenced by English

Probably all notable architecture in Nepal was the contribution of the Rana regime, who were in turn deeply influenced by British way of 'doing things'.

It is widely known that Nepal was never colonized directly by the British like other neighbouring countries. Though Nepal is not part of the commonwealth as its other neighbours are naturally it comes in contact with them very frequently.

It must also be noted that both the countries retained monarchy for a long time only that in Nepal it changed just couple of years ago. Time and again when State officials visited Britain they had a change in perception pertaining to questions of governance in Nepal.

Indirect influence - Britain influenced in India and Nepal was also influenced in many social, political and cultural aspects.

King Mahendra visits Britain, 1960

King Mahendra and Queen Ratna made a three days State Visit to Britain in 1960. He was received by Her Majesty Queen Elizabeth, the Duke and other members of the Royal family at the Victoria station. That evening there was a state banquet at the Buckingham palace in honour of the visitors. The visit symbolized the culmination of centuries old relations between the two countries.

Queen Elizabeth II visits Nepal, 1961

Just a year after King Mahendra's visit to England, the Queen Elizabeth II visited Nepal. The visit to Nepal by Queen Elizabeth II was an expression deep respect and friendship between the two countries. The Queen also visited Nepal in the 1980s.

How does Britain run it's democracy without a written constitution?

The political end of any form of governance is smooth functioning of the state apparatus; with or without a written constitution hardly makes a difference.

Britain has nonetheless managed all the government bodies- Legislature, Executive as well as the judiciary in a very organized manner.

An 'unwritten' or 'un-codified' constitution is often confused with absence of specified laws. This means that 'unwritten' constitution just means that though there are governing laws of land in existence but the only difference is that it is not collectively present in a single document. Britain has instead an accumulation of various statutes, conventions, judicial decisions and treaties, which collectively can be referred to as the "British Constitution". Statutes are laws passed by Parliament and are generally the highest form of law. Conventions are unwritten practices, which have developed over time and regulate the business of governing. Common Law is law developed by the courts and judges through cases.

While considering the nature of the unwritten constitution one needs to closely acknowledge the concept of parliamentary sovereignty because in most cases the parliament is the 'architect' of majority of laws of the land. Parliamentary sovereignty is commonly regarded as the defining principle of the British Constitution. It was quintessential for most of the independent nations to frame a new 'written' constitution as they had to start from scratch; but in case of Britain this was not necessary because various established conventions were already in place for a considerable period of time. The concept also holds that the legislative body may change or repeal any previous legislation, and so that it is not bound by written law (in some cases, even a constitution) or by precedent. Parliamentary sovereignty may be contrasted with the doctrines of separation of powers, which limits the legislature's scope often to general law-making and judicial review, where laws passed by the legislature may be declared invalid in certain circumstances.

Thus it is more accurate to refer to Britain's constitution as a 'un-codified' constitution, rather than an 'unwritten' one.

Can democracy run together with monarchy?

Britain has proved against test of time that a constitutional monarch can run smoothly in a democratic nation. The parliament works as the highest authority on law-making and governance whereas the 'Monarchy' only functions as a ceremonial head. Its existence as an institution is merely symbolic.

Law

Nepal was an 'isolated' country till the middle of the 20th century. In a country where everyday affairs were regulated by customs and traditional norms,

Jung Bahadur's first visit in 1850 to Britain resulted in the promulgation of Muluki Ain (Law of the Land) once he came back to Nepal. His visit surely had a consequential impact on Nepal's model of the judiciary in the coming years.

Future Directions For Cooperation

Trade

Nepal has preserved its ancient unique forms of art and craft. Anyone who visits the areas of Bhaktapur and Patan will realize how well the cultural heritage is conserved. The unique antiques can be of great value in the International market if only they get access.

With the Chinese and Indian economies booming in the last two or three decades, Nepal can benefit from the two largest markets in its immediate neighbourhood. British investment in Nepal can benefit also from this new opportunity available to us. Investments in education, tourism but most importantly in herbal, ayurvedic and agricultural products can be very lucrative for the British as well as Nepalese business and trading communities opening newer avenues of mutual economic and trade growth.

Nepal's unique climatic condition and cheap labor can be taken as most attractive factors in this respect.

Investment

Many avenues have been identified suitable for investment in Nepal. In its attempt to boost FDI and investments the government of Nepal has initiated 'Nepal Investment Board' which aims at facilitating easy undertakings for the investors, for instance the 'one window policy' enables the investor to avoid hassles that typically categorizes some state run organizations.

Nepal's Information Technology sector is growing thanks to an increase in foreign direct investment. The working environment in Nepal particularly for IT professionals is reported to be very good.

One of the very successful examples of FDI is Ncell, a telecommunication company, which is one of the major companies in Nepal that has received Foreign Direct Investment (FDI). FDI is growing swiftly in Nepal, along with the opportunities it creates. FDI commitment soared by 163% to reach NPR. 18.84 billion (\$185m) in the last fiscal year which ended in August. New FDI commitments have come from 41 countries, with the potential to create over 13,500 jobs. This is very positive news. Many young people are leaving the country seeking foreign employment in Malaysia and Gulf

countries. Creation of jobs within the country will retain them. Jobs created by foreign direct investments usually pay higher salaries and provide better growth opportunities for workers. Lower costs and competitive manpower makes Nepal a lucrative destination for foreign companies, especially the IT companies. There are more than 100 IT companies in Nepal receiving foreign investment and around 4,000 IT professionals working as freelancers for foreign companies. According to the Department of Industries, 77 countries have invested around NPR. 94 billion (\$921m) in Nepal to date. China has rapidly increased investment here in recent years, challenging India's long-held dominance. China has already surpassed India in the number of companies registered in Nepal, although India still leads in terms of total investment. The majority of investments are in the service sector. Because of the acute power crisis and labour issues, investors prefer to invest in sectors like hotels, tourism. The government should focus on making a conducive environment for manufacturing industries as well. The manufacturing sector can also benefit a lot by foreign direct investment, according to Federation of Nepalese Chambers of Commerce and Industry (FNCCI) the then Vice President Pradeep Jung Pandey (now the President).

According to a Foreign Ministry official, Nepal should focus on foreign investment rather than foreign aid. Foreign investment will enhance Nepal's economic growth more than foreign aid because aid usually creates dependency whereas investments create employment opportunities. Economic diplomacy is among the top priorities for Nepal currently.

Climate change

It seems the Himalayas are the worst affected places on Earth when it comes to climate change. The ice caps are melting very staggeringly. The entire landscape of the Himalayan region is changing because of the rise in the temperature all over the world. According to a study, the people living in the mountainous regions of the world are worst affected by the consequences of climate change. Two thirds of Nepal's topography being covered by the mountains, our people are going to be the most vulnerable to the consequences of climate change. In this context, we can only hope that the international community will pay special attention to the emerging crisis in the sub Himalayan region. Nepal appreciates the British concern for global climatic change as it is reflected in the British Government's commitment expressed in the following words.

"The government is working at home and abroad to adapt to the effects of climate change and reduce greenhouse gas emissions by investing in low-

carbon energy sources, improving fuel standards in cars and increasing energy efficiency wherever possible.”- *Foreign And Common Wealth Office.*

We in Nepal hope that IPCC will recognize South Asia as a most vulnerable part of climate change particularly in the Himalayas because of the glacial meltdown on the one hand and the water availability as one of the biggest worries on the other.

The Government of Nepal would do well working together with the British Government for raising the amount of compensation for carbon emission reduction. Also the joint venture in green energy production and trade between the two countries can be an area of great potential for us to work on.



7. Mr. Dr. Durgesh Man Singh Comments on Dr. Jaya Raj Acharya paper

I would like to congratulate Dr. Acharya for his illustrative presentation on the run down of historical ties between UK and Nepal. Dr. Acharya has given very correct historical presentation on our relationship and especially it is personally revealing to me. In 1767 before King Prithvi Narayan Shah came back to Kathmandu, it was Jaya Prakash Malla, who made efforts for relation with Britain and we have seen every time our people or officials at that time, came back from Britain with a touch on social transformation. This was in 1850 when Jung Bahadur went to Britain, he not only reinforced our diplomatic relations with Great Britain but also came back with open mind to bring up more social changes in Nepal. The Civil Court established at that time was a bi-product of that and also the educational institutions that he helped and saw in terms of impact on architecture in Nepal visible at that time. And in 1934, we had our relation strengthened further when Nepal established Legation in London and exchanged minister potentiary. The banking system in Nepal was bi-product of that time too. Dr. Acharya has highlighted very sufficiently on the importance of education as a source of inspiration. This is the one of the areas where we could have more strengthened relationship viable and beneficial especially with Britain. The objective of today's seminar is to make participants aware of the 200 Years of diplomatic relationship between Britain and Nepal and to explore the development cooperation opportunities beneficial to both countries. Dr. Acharya has singularly contributed in highlighting the emotional ties between Britain and Nepal and the paper circulated emphasize on the contribution from Britain to Nepal but it is also true that Nepal also contributed and that's how the relationship became reinforcing. The relations between two countries became stable and viable only when it is beneficial mutually. That is the core of the message we should turn to and to that extend Nepal contributed very significantly to the British throughout the history especially in 19th and 20th century with active participation with the British in the World Wars where 6000 brave Nepalese nationals lost their lives for friendship. It has given very important background to the emotional ties between two countries.

Now, It is an important question that where do we go from here? I think we have to go forward and our debate must be really concerned over exploring more areas of dynamic relationship between Britain and Nepal because the coming decades are surely lying on Asia due to two giants of Asia, India and China, which are waking up with double digit growths and the prospects is still bright for these two countries. We are located in such a geographical place that we should be able to serve at the very important conduit between these two countries, that immense source of investment is coming in these countries, which is also precariously highlighted by speakers that Britain has been a trading nation. That's why, we beneficially can say where to go now. The important areas are the power development in the country which is as potential source of hydropower which was also emphasized on the paper as clean energy source.

This is the area where the development sustainability would depend on. There is so much potential investment around. We have to consolidate efforts in energy. In terms of dynamics of development of energy, we can benefit from, we see a particular importance as well as benefits in the management of energy projects both in terms of management and investment with country like Britain which share 200 years of emotional ties. This tie should run over time and should go for mutually beneficial relationship over time. We can benefit from the country with track record like Britain to be participant in development in our energy sector. It will be easier for us to handle these projects.

I thank for this educating experience on this morning. Thank You.



8. Remarks by
Chair Person Mr. Surya Prasad Shrestha,
Former Chief Election Commissioner and Ambassador to UK

I would like to thank Prof. Acharya for very elaborate, historical presentation. To me it seems that the historical knowledge, historical ties between the two countries is very important to set the course of action for future. Speakers spoke in the possible areas of cooperation in-between the two countries. To me it seems that in two World Wars, Nepal sacrificed. Now it seems that, with speech of His Excellency also, they are looking forward especially for the prosperity, political stability, democracy and elections. Ambassador also outlined some of the possible areas of cooperation especially in trade, industrial investment, environment, culture and heritage aspects, hydropower and education in future course. Perhaps Dr. Acharya forgot one of the significant contributions, which is administrative college. It is almost faded away. Nepal has very poor decision making quality either in the house or in the administration. I would like to request Your Excellency to look forward to assist such organization again. It was with very good performance when established. Dr. Acharya also mentioned about Budhanilkantha School and its expansion, which is also important. I would like to thank distinguished participants, Amb. Sparkes and embassy colleagues, and distinguished commenters for this.



9. Closing Remarks By **Mr. Laxmi Kant Paudel, President, Chevening Alumni, Association of Nepal**

Respected Chairperson,

Chief Guest of this program, Hon. Foreign and Home Minister and Chairperson of IFA, Mr. Madhav Prasad Ghimire, His Excellency Ambassador of UK, Mr. Andy Sparkes CMG, Surya Prasad Shrestha, former Ambassador to UK and Chairperson, and chairperson of today's presentation session; paper presenter, renowned scholar Dr. Jaya Raj Acharya, former PR to UN, Distinguished Guests, Executive Committee of Chevening Alumni Association Nepal, Media person

I am delighted to thank all the guests for attending this program which is jointly organized by IFA and Chevening Alumni Association Nepal. This talk program has become a very fruitful occasion to share views of Nepal-Britain relations for two centuries. Nepal and Britain have benefitted from bilateral relationship as Nepal has got tremendous support from UK government for economic development and Nepal's assistance has been vital for keeping Britain safe. This program has been successful for two reasons. Firstly, the paper has elaborately outlined the relationship between two countries on various issues from the Sugauli Treaty to fighting with the effects of climate change. Secondly, the views expressed in the talk program have been very crucial to strengthen the ties between Nepal and Britain. Furthermore, the relationship could further be enhanced if the support given by the UK government be both for the software and hardware development and the support are utilized properly for making Nepal a prosperous nation.

I would like to give special thanks to His Excellency Mr. Andrew James Sparkes for kindly accepting our invitation and giving a thought provoking speech. Similarly, I would like to express my heartfelt thanks to all participants and invitees for attending this seminar and expressing invigorating thoughts which can lead to further relationship between the two countries. Last but not the least; I would like to thank today's Chief Guest Hon. Home and Foreign Minister Mr. Madhav Prasad Ghimire for kindly delivering the keynote address in this talk program.

Thank you.

10. Summary of the Seminar

Institute of Foreign Affairs (IFA) with Chevening Alumni Association of Nepal organised a one-day seminar “200 Years of Nepal-Britain Relations: A Way Forward” with a paper by Dr. Jaya Raj Acharya, Former Permanent Representative to UN presented in the seminar.

The program started with an inaugural ceremony. Deputy Director of IFA Khush Narayan Shrestha delivered his welcome remarks. Minister of Foreign Affairs Honorable Mr. Madhav Prasad Ghimire delivered his Key note speech. Ambassador of UK to Nepal His Excellency Mr. Andy Sparkes CMG delivered his speech. Foreign Secretary Durga Prasad Bhattarai and Dr. Rishi Raj Adhikari, Executive Director of IFA said a few words on the subject as well with closing Remarks By Mr. Laxmi Kant Paudel, President, Chevening Alumni Association of Nepal.

Floor Discussion

Prof. Dr. Shreedhar Gautam, TU: In historical perspective of Britain-Nepal relations, after Jung Bahadur Rana visits to Britain to strengthen the warm and cordial relationship, Britain returned four annexed district to Nepal known as Naya Muluk but paper did not mention on the role that Nepalese government played after Sugauli Treaty. Whether it was Nepal's incentive or British unwillingness to return all annexed territories to Nepal?

Dr. Bishnu Hari Nepal, Former Ambassador: Actually I extend my compliments to Dr. Acharya for his precise presentation almost sketching out our bilateral relations between Britain and Nepal and also his future recommendations. When I was drafting foreign policy in the dissolved parliament, the economic diplomacy was a very significant aspect. I have identified where the hydropower generation in FDI is having prospects and is prominent. Britain has been the largest donor of Nepal. There is a little concern that the British and the European community is focusing also in non-governmental organizations

about nearly 30% and that part perhaps is very difficult for the development process. All national NGOs, what EU and UK government recognizes are not efficient. Government should be the major part. Maybe 2-5% for NGOs will be enough and that is my consideration. We should focus on transforming socio-economic, agricultural national heritage system and on Confidence Building Measures (CBMs) and thirdly, the disarmament. The security perspective part is important and vital. Dr. Acharya has not touched upon on Gorkha's perspective much. Will this continue in future?

Dr. Shambu Ram Simkhada, Former Ambassador: I would like to begin by thanking the organizers for this efficient programme. I would also like to congratulate two keynote speakers for what I consider to be extremely good speeches on creating the background for the discussions that followed subsequently in this session. Also would like to congratulate Dr. Acharya for his excellent presentation. Right in the beginning in his presentation, he talked about the historical inevitability and ofcourse, the historiography have two dimensions. There is a school of thoughts that outlined intelligence being given to human beings by biological evolution but history is something that can be created by ourselves, in that sense, I would like to relate this dimension of Nepal-Britain relations, contemporary political economic dynamics, as it relates to that part. Foreign Policy is always been very critical part of Nepal's statecraft. The paper and comments highlighted the values of Nepal-Britain society in terms of continuing as an independent nation. In that sense, while agreeing with all that he outlined in his paper, historically there are two very fundamental questions that Prof. Acharya just raised but leaves to the audience to reflect on, are the most significant parts of discourse. One is the constitution, where we are at this point of history, and second is the idea of relations between democracy and monarchy. I would like to request Prof. Acharya to shed light on these.

Kedar Shrestha, Former Foreign Secretary: Professor Acharya took us in a fascinating journey to the Nepal- Britain relations over the past 200 years. The diplomatic history of Nepal is mostly Nepal-Britain relations and Tibet-China relations. Nepal-Britain relations covers large portion of our history. During my tenure as foreign secretary, I hardly encountered with any serious problem between our two countries apart from Gurkha's pension that was problematic. The relations and friendship between our two countries have been so excellent. There are brand names from Britain like BBC, British Council, Manchester United, Arsenal, Chelsea etc. that has impacted minds of Nepalese people. Talking about DFID, How do we compensate on huge trade

deficits? The equation of investment one day will be stable. The way forward is trade, tourism, investment etc.

Prof. Dr. Gopal P. Pokharel, Former Executive Director, IFA: It was basically an academic discourse. My query is that since we have very good relationship with Britain, what that we learned from hindsight? We have seen practicing theories and culture, we have to dwell on negative side also to make relationship concrete. I would also like to raise issue about visa processing for Nepalese citizens. We have to take into consideration those adverse things in the period of course of development. Prof. Acharya emphasized on functioning of democracy without having a constitution in Britain but Britain is managing a vibrant democracy.

Pushkar Man Singh Rajbhandari, Former Ambassador: I would like to add supplements to Dr. Acharya and Durgesh Man Singh. Dr. Acharya gave very good account of the history. I was very much impressed when he says inevitability the ripples focusing join the other ripple. And Dr. Durgesh also said very important thing that it is two-way traffic in any relationship. My understanding of history is that Nepal-Britain relations is ofcourse very important and it has survived us as a sovereign nation, which is very true.

Prof. Dr. Mohan P Lohani, Former Executive Director, IFA: I should begin with complimenting both speakers for this morning where Amb. Sparkes referred on the contribution of British Council. I like to compliment British Embassy for that. It was in 1971 that Dr. Elan Davis introduced Linguistic Studies in Central Department of Tribhuvan University. Dr. Acharya's highlighted the importance of education and linked to that.

Dr. Surendra KC, TU: I want to raise some mythological, factual and sequential part of the paper presented by Dr. Ahcarya who has given many episodes regarding the war and others between Britain and Nepal for examples James Slogan, Foxcraft, Cork Patrick and others. But he lost one of them, Major Abdul Kadir Khan. He very less mentioned on Cork Patrick mission which was successful in signing the longest treaty between Nepal and Company Government. Other major point I want to raise is regarding James Slogan's Mission is that it was not sent to Nepal government but rather to the King Jaya Prakash Malla's Durbar and as mentioned in his paper, Foxcraft was not controversial but James Slogan was. Nobody knows the actual date James Slogan came to Nepal. Paper did not mention on the evaluation of the Treaty of Sugauli, weather it affects the independence of Nepal or not. The treaty regarding the recruitment of Gorkhas is also lost in the paper. I would like to

request to Your Excellency the British Ambassador for the recommendation to his government to provide visas in low cost on this occasion.

Dr. Dhungana, Eminent Economist: History is always to be learned and to be discussed and it always provides moments of cherish and despair but important part of today's discussion is also "A way forward" in relationship between Britain and Nepal. What can we look forward in coming days? I think that part is not so well treated. My question or comment is really how we can take advantage of very long standing relationship between Nepal and Britain. Britain has been always a source of inspiration for democracy, governance, institutional building, education etc. and at a time Nepal entering a new phase of change and transformation and going to adopt many new institutions, this is where we can benefit from the some of the experiences, and support of Britain. Britain has been always transparent in many respects including in assistance to various countries around the globe, in the wave of transparency of the development partners, UK is also being not so transparent in assistance of various countries. It should be visible to the public at large. Britain's support is most valuable. Functioning of support should be flexible in the days to come.

Housang Sherpa, Student, University of Oslo: To add to what Dr. Acharya has already mentioned in his excellent presentations, I would like to highlight one particular issue. After signing Sugauli Treaty in 1914 two hundred years back, Britain started recruiting Nepalese youths in British Indian Army and during that period Britain recruited its most needed human resources for its army from Nepal. Until today more than a million youths have served in British Army. Probably at that time Nepal had nothing other than its human resources to offer, in return it is either a failure of Nepal to request Britain or it failed providing the best what it had to Nepal. It is widely accepted that modern education is a western contribution to the world and surprisingly however, Nepalese population is still deprived to the best that Britain can offer. Infact Britain's contribution to the Nepalese population would have been highly important and valuable. Considering the need of education, in my view, if Britain could provide and if Nepal can adopt and implement, the lesson learned from British education system would be the best thing that Britain could provide Nepal. There is still a possibility for Britain to look at this issue. From Nepal's perspective, sustainable development and reducing poverty are Nepalese priorities. My question is - What kind of friendship are we developing? Where we are unable to share and how could Britain ignore the responsibility from providing quality education to the children's of British Gorkha Army in return for the services provided by them?

Hira Bahadur Thapa, Former Acting Foreign Secretary: Some of the questions were touching upon British Gorkhas recruitment. I was somehow wondering that the British Government is really willing to continue the relationship in terms of British Gorkhas recruitment in the years to come based on the fact that the number of recruited British Gorkhas soldiers is decreasing every year? Is the British Government really thinking of ending of recruitment of British Gorkha soldiers in regiment for the future?

Nepalese Colonel: My queries are on the background of socio-physiology between Britain and Nepal. I found that British are aggressive and we are defender. British were here to support in past too rather than invade our territories. I think our historians became ultra-national writing British-Nepal history which should be rewritten once again on historical facts. We should start to talk on Anglo-Nepalese relations once again.

Excellency Ambassador Sparks: Thank you Mr. Chairman. What an excellent paper that was of Dr. Acharya, very interesting and filled lots of gaps from me and also learned from member of the audience filling some more gaps. All were stimulating thoughts on the way to go forward. A message from the audience clearly is that one of the ways for us to look forward is that to work more on academic partnership and knowledge transfer. The long tradition we have of imparting and sharing our expertise with Nepal need to continue and it will be a good way to celebrate 200 years of anniversary. There are myths around on where we stand to Gorkhas in the terms in our commitment to carry on recruiting them. In terms of the role they played, in terms of condition they enjoyed as part of British Army, which is on the lots of movement in last fifteen years. Visas are inevitable so I want to clear the situation what actually is. You are not required to go to Delhi physically in order to get visas. We have visas facilitation center in Kathmandu. Visas is a global migration problem that UK faces in illegal migration and that is why situation arises but we do everything we can within the resources we have to make it easier for Nepalese legitimate, friends and partners to go to UK in the interests of all the development we are talking about. On knowledge transfer, the partnership just been announced between our top university Nottingham University and Kathmandu University. That is pointing the way forward in this area. I am going to give Colonel Hrishch the floor who is chief of Gorkhas in Nepal to respond for the whole recruitment process.

Colonel Hrishch, Chief, British Gorkhas- Nepal: Thank you for inviting British Gorkhas – Nepal here today. Thank you Prof. Acharya for your history lesson

which is utterly fascinating. I'm going to answer questions on reference to British Gorkhas. British Army started to recruit Gorkhas from the time of Emperors. That's the historic scene. British agreed to recruit Gorkhas because it is mutually beneficial. Himalayas and Gorkhas are the two strongest brands that Nepal has. Arguably, the Gorkhas gain the reputation through service of the British Crown. In one stage, we had 260,000 Gorkhas serving in British Army. In one stage, 48% of the Nepalese population, which was recruitable were serving in the British Army. It is a matter of pride and economic. We are the best paying organization in the world for Gorkhas that's why they came in hundreds of thousands. In terms of education, we have built five hundreds schools in Nepal in last 30 years which is a huge investment in field of education. We have educated Four Hundred and Eighty Thousand children's in Nepal. We have provided drinking water for one million. Despite that the Gorkhas being treated, one historic fact which was mentioned in tri-partied agreement between Britain, India and Nepal in 1947 is that British will only pay salary that could be matched by India. We couldn't pay more because that's what we've signed up to. So for fifty years we paid same salaries for Nepalese Gorkhas as Indian Army were paying except the additional allowance we've paid for Hong Kong recruitees. Today British Gorkhas are being paid exactly the same as the British soldiers. Even before we made equality in pay, pension alone of a private solder in the British Brigade of Gorkha is more than of Nepalese colonel's salary. Gorkhas Welfare Scheme today provides education, medicine and housing for 23 thousand retired Gorkhas. The annual allowance for medicine paid by the Gorkha Welfare Trust is 3 times more that Nepalese Government pays. We are beyond criticism in terms of how the rest of the world views British Gorkhas. In reference of future, we won't be recruiting Gorkha children's in United Kingdom because of their citizenship. They are not eligible to join the Brigade of Gorkhas. That is why we recruit Gorkhas here in Nepal from Nepalese citizens. I cannot conform how long British Government is recruiting Nepalese Gorkhas but I can say we have 3,200 Gorkhas solder and we are maintaining peace through the Gorkhas. We pay Pound 50 M for ex-Gorkhas living in UK and Pound 100 m to Nepalese citizens living here. That all due to special relationship we have. It is the oldest and special relationship we have. We need to develop Nepalese status in terms of diplomatic relationship.

Reply by the paper presenter: Prof. Dr. Jaya Raj Acharya

This paper is a draft for presentation. I welcome all the suggestions and prefatory comments. What can we learn from Britain? I think the greatest thing is education. Even all known universities and schools follows the tradition of Cambridge and Budhanilkantha is one of them. Ofcourse, building

infrastructure is not enough. Look at Tribhuvan University. TU was built in assistance from three major democratic countries, India, USA and UK and look what TU has become today. It has been a political battlefield. Nepal is the only country where Vice Chancellor, Rector, Registrar and staffs are divided among the political parties. What we can learn from Britain is to have academic integrity and keep the academic institutions aloof or away from political interference and intervention. That is one great lesson we can learn from the British.

On Gorkhas recruitment, Nepal-Britain relations are not just limited to or because of Gorkhas recruitment. Even if this procedure is terminated today, there are so many elements and factors, which are British contribution. British has dominated the world through their language and culture.

On education, yes it is a key factor. I think the most visible contribution for me is the Budhanilkantha School. I hope this point will be well taken. I would like to thank Prof. KC for his methodological and researched points. Pritvinarayan Shah unified Nepal, Bhanubhakta standardize Nepalese language and Yadunath Khanal intellectualized Nepalese foreign policy and gave all the terms and terminologies explaining Nepal's foreign policy that we use today. He was an intellectual giant in corridors of power.

On Sugauli Treaty, it was signed between two unequal powers and its articles clearly indicate that. In my view, 1950 Treaty is a grandchild of Sugauli Treaty. It carries certain stipulations that are unequal. 1950 Treaty gives certain benefits to Nepalese residing and working in India.

What have we learned from the hindsight? I think we have learned a lot. I still admire Jung Bahadur and his diplomatic acumens. Political acumens, judgment and decisive power of Jung Bahadur succeed in returning annexed territories in interest of the country. I think the relations at that time were truly based on mutual respects and admirations. They really admired even Jung Bahadur Rana. But do our political leaders command the same admiration today? I doubt.

Amb. Simkhada mentioned about historical inevitability and democracy. I have no answer to those. I just brought them in attention because how genius British are without having a written constitution can run one of the best democracy with highly admired and respected monarch. This is the question need to be addressed by Nepalese intellectuals.

Dr Durgesh (reply by the commenter): This is the beginning of discourse on where we go from now. There were very interesting introspective run down on

history of relations between Britain and Nepal. This is a beginning of several milestones that we make further ingrowth into the areas of cooperation which would be mutually beneficial and reinforcing for both the countries. One of the issue raised is what we've learned and what was the contribution? I think one of them is language. It is the very important contribution that British has made. The transportation, railway networks, education system and most important is the administration system. In hindsight these are the four solid contributions that British has made. We must take advantage learning from them.

11. List of Participants in the Seminar

1. Mr. Madhav Prasad Ghimire
Hon'ble
Minister of Foreign Affairs
2. Mr. Arjun Bahadur Thapa
Foreign Secretary
MoFA
3. Mr. Janardan Nepal
Secretary, Ministry of Commerce and Supplies
4. Mr. Buddhi Narayan Shrestha
Board Member, IFA
5. Mr. Om Charan Amatya
Board Member, IFA
6. Ms. Pramila Rijal
Board Member, IFA
7. Prof. Dr. Mohan P. Lohani
Former Executive Director of IFA
8. Prof. Dr. Gopal Prasad Pokharel
Former Executive Director of IFA
9. Dr. Anjan Shakya
Former Deputy Executive Director, IFA
10. Mrs. Ambika Devi Luitel
Joint Secretary, MoFA
11. Mr. Prakash Kumar Subedi
Joint Secretary, MoFA.

12. Mr. Kali Prasad Pokharel
Chief of Protocol, MoFA
13. Mr. Krishna Prasad Dhakal
Joint Secretary, MoFA
14. Mr. Tara Prasad Pokharel
Joint Secretary, MoFA
15. Mr. Rishiram Ghimire
Joint Secretary, MoFA
16. Mr. Arjun Kanta Mainali
Joint Secretary, MoFA
17. Mr. Tirth Raj Aryal
Under Secretary, MoFA
18. Mr. Dhan Bahadur Oli
Director
SAARC Secretariat
19. Mr. Ananda Sharma
Under Secretary, MoFA
20. Mr. Mani Prasad Sharma
Under Secretary, MoFA.
21. Mr. Lok Bahadur Paudel Chhetri
Under Secretary, MoFA.
22. Ms. Rita Dhital
Under Secretary, MoFA
23. Mr. Pushpa Raj Bhattarai
Under Secretary, MoFA
24. Mr. Bisnu Prasad Gautam
Under Secretary, MoFA.

25. Mr. Nirmal Raj Kafle
Under Secretary, MoFA
26. Mr. Rajendra Pandey
Under Secretary, MoFA
27. Prof. Dr. Jaya Raj Acharya
Former Permanent Representative at the UN
28. Mr. Kedar Bhakta Shrestha
Former Ambassador to USA
29. Dr. Dinesh Bhattarai
Former PR to UN, Geneva
30. Prof. Dr. Bishnu Hari Nepal
Former Ambassador to Japan
31. Mr. Prabal S.J.B. Rana
Former Ambassador to UK
32. Mr. Hiranya Lal Shrestha
Former Ambassador to Russia
33. Dr. Durgesh Man Singh
Former Ambassador to India & Belgium
34. Mr. Sundar Nath Bhattarai
Former Ambassador to Thailand
35. Mr. Puskar Man Singh Rajbhandari
Former Ambassador to Pakistan
36. Dr. Singh Bahadur Basnyat
Former Ambassador to UK
37. Dr. Shambu Ram Simkhada
Former Ambassador to EU, Zeneva, UN
38. Mr. Surya Prasad Shrestha
Former Ambassador UK

39. Mr. Vijaya Kant Lal Karna
Former Ambassador to Denmark
40. Mr. Hira Bahadur Thapa
Former Acting Foreign Secretary
41. Ms. Sivani Basnet
Section Officer, MoFA
42. Ms. Pratima Pandey
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