

Simulation Exercise: Nepal-India Energy Cooperation Negotiation

Venue: ABC Hotel, Kathmandu

Date: 2 July 2025

A high-level bilateral negotiation between Nepal and India focusing on:

- Cross-border electricity trade
- Hydropower development and investment
- Infrastructure and regulatory harmonization

Background Briefs

NEPAL

- Holds over **83,000 MW of hydropower potential**, with ~45,000 MW technically and economically viable.
- Seeks long-term **Power Purchase Agreements (PPAs)** for stable export revenue.
- Requires Indian investment and guaranteed grid access.
- Focus on some specific projects like **Upper Karnali, Arun III, West Seti**, etc.

INDIA

- Requires clean energy imports to meet climate targets and peak demand.
- Invests in **regional electricity markets** for energy security.
- Concerned with **project execution delays** and **regulatory certainty**.
- Interested in **energy banking**, seasonal trading, and long-term PPAs.

Delegation (Nepal)

- Secretary, Ministry of Energy(MoE) - Head of the Delegation
- Joint Secretary, MoF
- Joint Secretary, MOLJPA
- Joint Secretary, MoFA
- Joint Secretary, Ministry of Commerce
- Joint Secretary, MoE
- CEO, Nepal Electricity Authority

Delegation (India)

- Secretary, Ministry of Power - Head of the Delegation

- Ambassador, Embassy of India
- Joint Secretary, Ministry of Law
- Joint Secretary, Ministry of Commerce
- Director (Transmission), Ministry of Power
- Director, Power Grid Corporation of India
- Director, Central Electricity Authority

Agenda (Guideline)

- Opening statements by both heads of delegation
- Presentation of national energy priorities
- Discussion on cross-border transmission infrastructure
- Negotiation on electricity trade terms – pricing, PPA tenure, export volume
- Discussion on Indian investment in Nepal's hydropower (e.g., policy, land, repatriation)
- Memorandum of Understanding (MoU) (points agreed only) – no need of any format
- Closing

Other participants as observers

Some Rules for Simulation Exercise

- Form a group: Nepal Delegation, India Delegation and Observers
- Time Allocation: Please divide your group , read the given issue and discuss in your lunch time tomorrow(17th of Asar) , we will start simulation in the class on 18th of Asar,; 10:00a.m
- It is not any test or exam of your skills but a practical and engaged learning of what you have learnt in various sessions in this training
- Don't worry about factual data, evidence and laws much, just feel free to raise your issues in the negotiation process.
- We can have this exercise for maximum 50 mins. of our class.
- Don't take any stress, it will be fun.
- All the Best. See you on 18th Asar.