

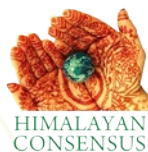


Himalayan
Consensus
Summit

PROCEEDINGS REPORT
2017

HIMALAYAN CONSENSUS SUMMIT

Proceedings Report 2017





The Himalayan Consensus seeks to prevent conflict through economic development, community empowerment, respect for heritage and local culture along with adoption of renewable energy and water conservation technologies through modern finance

MESSAGE FROM FOUNDER, CHAIR

THE HIMALAYAN region represents one of the most fragile ecological systems in the world today. It is also one of the world's most dynamic economic regions, most populated, and most poverty-stricken. As the region consists of complex relations and borders, it is a potential flashpoint for conflict, requiring careful management of both resources and expectations.

The Himalayan Consensus is a response to this fragility, as a holistic economic development paradigm that emphasizes the integrity of planetary ecosystems as an indispensable basis for socio-economic development. It applies Himalayan traditions towards contemporary challenges. Himalayan

Consensus is consistent with China's "One Belt One Road" initiative and India's "Look East" policy. Its five integral principles - identity, community, business, finance and environment - may prove to be the key in preventing violence and conflict from arising in this part of the world.

The Himalayan Consensus is a process. *The Himalayan Consensus Summit (HCS) convenes annually in Kathmandu bringing multiple stakeholders together* - environmentalists who offer the research and development needed; community leaders who are our new age innovators; business and finance leaders who can scale solutions that can make a difference; and governments who have the resources to

bring these ideas into articulating new policies for a fresh economic paradigm that our planet urgently requires.

The Himalayan Consensus integrates innovative solutions of social entrepreneurs into globally relevant models. The process seeks to harness business and finance to build capacity for green energy and water conservation, preserve local heritage; and merge environmental data with technologies for early warning systems. Through a multilateral and multi-stakeholder approach, pragmatic solutions may be achieved for attaining peace and prosperity among nations. For this reason, the Himalayan Consensus convenes in Kathmandu, the Geneva of the Himalayas.

The Himalayan Consensus seeks to prevent conflict through economic development, community empowerment, respect for heritage and local culture along with adoption of renewable energy and water conservation technologies through modern finance. In this era of global volatility there is an urgent need for dialogues and actions to reduce climate disruption and protect resilience of communities - an essential aspect of reducing

This year's HCS determined the need for the Himalayan Consensus process to establish a crisis prevention and conflict mediation facility as a core objective for the coming year.

probability of conflict. Through a convening of interests - environmental and community with business and finance - we have achieved this at the HCS 2017.

HCS is a process that focuses on concrete outcomes. HCS 2017 is built on delivered commitments from the previous HCS 2016 such as: the heritage preservation fund launched by Himalayan General Insurance; a renewable energy and water conservation fund established by leading Nordic merchant bank SEB; and a youth innovation award for climate and community data apps offered by American technology pioneer Galvanize, Inc.

Commitments as outcomes of HCS 2017 include: a program for digital archiving of historical sites in the Kathmandu Valley by the Institute for the Research of Tibetan Buddhist Heritage, Palace Museum, Beijing in collaboration with UNESCO; twenty

scholarships have been offered for students from the Himalayan region pursuing Masters in Sustainable Development by the Future Generations University, USA; and an insurance program is being established by the Hong Kong based reinsurance group Peak Re for earthquake-prone regions.

This year's HCS determined the need for the Himalayan Consensus process to establish a crisis prevention and conflict mediation facility as a core objective for the coming year. We have already begun working together with the UN agencies, ICIMOD, and other support groups to achieve this. Conflict is usually a result of economic disempowerment or identity marginalization, and when both occur, there will certainly be conflict. As a convening process, the Himalayan Consensus can serve as an effective second-track dialogue toward conflict prevention and mediation.

The outcomes of HCS 2017 have only been possible with the kind support of our sponsors: Altai Himalaya, Embassy of Switzerland in Nepal, Himalayan General Insurance Pvt. Ltd., Peak Re, The Asia Foundation and UNCDF. On behalf of all participants in HCS 2017, I wish to

extend our heartfelt thanks for your contributions that assured the success of this year's Summit.

Collective collaboration is a key to success and we wish to thank our partners for joining hands and working together with us for the success of HCS 2017: DMI Associates, Four Seasons, Himalayan Rush, Hotel Himalaya, Kathmandu Triennale, Mandala Book Point, Norvic International Hospital, Norwegian Embassy, Sabah Nepal and UNESCO.

Deep gratitude is extended to the organizing committee of the Himalayan Consensus Secretariat, working tirelessly for months in preparation for the Summit: Shayasta Tuladhar, Shikshya Gyawali, Shreemanjari Tamrakar and Tejaswee Shrestha; together with the Himalayan Consensus global team and the Himalayan Consensus Secretariat in Kathmandu. Further thanks to our rapporteurs: Niraj KC, Sijan Thapa, Srimani Pandey, and Zubin Rajbhandhary.

Without all of your dedication and support, we could not have achieved any of the outcomes at this year's Summit. Personal thanks, to each and every one of you.

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KEY OUTCOMES

HCS 2017 concluded by announcing the achievement of outcomes from HCS 2016, followed by new commitments for the year ahead.



Celine Cousteau, *Founder, CauseCentric Productions*, announced completion of her decade long documentary "Tribes on the Edge" filmed in remote regions of the Amazon and now plans to commence Tribes on the Edge focusing on vanishing Himalayan mountain communities.



Christopher Flensburg, *Head of Climate and Sustainable Financial Solutions, SEB*, announced that SEB

will launch a Himalayan Consensus Renewable Energy and Water Conservation Fund in 2017. This would only be possible with the help of people on the ground to reach projects and ensure that there is presence, ownership and conservation. Himalayan challenge is a global challenge and that there is a need to help each other to solve problems and create a meaningful society through inclusive finance.



Ryan Nadeau, *Director of Special Projects, Galvanize, Inc.*, announced a USD 300,000 annual award to youth innovators of

data applications for farming communities. The project focuses on small farmers and seeks to address the problems they are facing due to various factors such as climate change. It believes that access of data and information regarding change in the environment is crucial in helping the farmers to make effective farming decisions. This is a worldwide competition with preference given to local innovators across the Himalayas.



Mahendra K. Shrestha, *Chairman, Himalayan General Insurance (HGI) Co. Ltd.*, announced establishment of a

USD 20 million fund entitled Himalayan Heritage Hotel Fund. It has a vision of conservation, sustainability and economic prosperity which are all very close to the spirit of Himalayan Consensus.

The fund seeks to bridge the gap between traditional hospitality and financial sustainability, issues regarding long-term ecological balance and current global trends. The fund aims to invest in development and management of unique properties across the Himalayan region and harness the collective potential of the history and natural heritage combined with sound business, finance and technological support.



Daniel C. Taylor,
*President, Future
Generations
University,*
announced twenty
scholarships for

students from the Himalayan region undertaking Master's Degree studies in Sustainable Development. It is a distinctive kind of degree for professionals seeking to create a dialogue among them and establishing collaborative knowledge about best practices.



Eckart Roth, Chief
Risk Officer, Peak Re,
announced plans to
establish an insurance
program for
earthquake-prone

regions of the Himalayas, focusing mainly on emergency relief and reconstruction. As insurance is believed to be essential for stable economic growth, Peak Re has been working on the idea of reinsurance and a product that addresses disaster issues in an efficient way.



Hon Wai Wai, Institute
for the Research of
Tibetan Buddhist
Heritage, Palace
Museum, announced
cooperation with

UNESCO in digital archiving of Nepal's great religious heritage sites. The collaboration extends to the Department of Archaeology in order to archive the murals, artifacts and architecture of Nepal. Along with the conservation of heritage, the process will contribute in the exchange of knowledge and skills between various institutions.

The background is a solid teal color. Overlaid on this are several white geometric lines that form a series of overlapping mountain peaks. The lines are of varying lengths and angles, creating a stylized, abstract representation of a mountain range. The peaks are distributed across the frame, with some being more prominent than others.

INAUGURAL SESSION

The inaugural session focused on how the Himalayan Consensus process applies Himalayan traditions towards contemporary challenges. The five principles of the Himalayan Consensus: identity, community, business, finance and environment were discussed along with the ways of implementing them to prevent violence and conflict from occurring.



Ambica Shrestha, *Chairperson*
DWARIKA'S HOTEL

The Himalayan Consensus Summit is one where we find ideas, put them together and share to resolve conflict. The Himalayan region should come together regardless of borders, and religion; religion should not be a basis for conflict as none of the religions call for violence. There is no conflict in human development as conflict arises when people do not have the means to satisfy their needs. The 2015 earthquake resulted in the loss of thousands of heritage sites and tangible heritage of Nepal; which, if not fixed quickly, leads to loss of intangible ones. The need to find a profitable way to rebuild these heritage sites using traditional techniques is therefore necessary to keep the local heritage and roots alive.



Franz Josef Hahn, *Co-Founder & CEO*
PEAK RE

To ensure sustainable economic and social development of a community, one can help communities during a fast economic development process by combining community work with profit. Sustainable economy and social development bear long-term profit which cannot be measured in quarterly outcome. When we have rapid economic development then something in the community is being uprooted. The roots need to be protected because without them we cannot grow. Since catastrophes are a common occurrence in the Himalayan region, pre-disaster funding is a key requirement. We can structure insurance in

such a way that it enters the capital market which then funds the pre-disaster funds. Without pre-disaster funding the government has to take the burden of financing programs regarding reconstruction, ultimately spending taxpayer's money and making middle income communities poor.



While the five concepts of development - innovation, organization, green, openness and finance - are important, development should also be scientific, sustainable and inclusive.

Peng Wei, *Counselor*
EMBASSY OF CHINA

Infrastructure is the foundation and support to social and economic development. There is a Chinese saying, "better roads lead to better life". In recent years, highways and high speed rails have been rapidly developed in China.

While the five concepts of development - innovation, organization, green, openness and finance - are important, development should also be scientific, sustainable and inclusive. China and Nepal are very good neighbors,

partners and friends. And, the Chinese government has actively promoted economic and technical developments in Nepal, such as construction of roads, airport, hospitals and schools, among others. Nepal also became the founding member of the Asian Infrastructure Investment Bank a year ago. We believe that all these initiatives will improve the infrastructure conditions and promote energy development in the country which will play a crucial role in boosting the economy and business of Nepal.



H.E. AMBASSADOR

DR. JORG GIOVANNI FRIEDEN

EMBASSY OF SWITZERLAND

We are very pleased to be associated to this Summit and seek to find ways to apply its principles in different countries. As an Ambassador to this country, I would like to present a few reflections on the relevance of these principles to the prevailing scenario in Nepal. The current concern for us is: what will happen to Nepal in the coming years?

Nepal is at the verge of making extraordinary changes to its political structures. The promises made by the new Constitution approved two years ago are finally being kept. We will have local elections in a few weeks' time and with new local governments in place, that have autonomy and clear responsibilities, there will be a dramatic change in the way public business is run. Therefore, a favourable situation for the implementation of five principles of the Himalayan Consensus is likely to arise, which of course, will be accompanied by enormous challenges.

In case of Nepal, two principles - communities and environment - are already well anchored. 2015 earthquakes were a devastating experience, but everybody who experienced it witnessed incredible solidarity among the people during those days. It was a manifestation of how strong communities are spread across the country and among different ethnicities. The same is for environment.

Community forestry movement initiated in the 1980s in Nepal has brought back trees and woods to the hills that were bare to a large extent. The difference between pictures taken in the 1970s and twenty years later are amazing. Nepal has definitely improved its rural environment with the help of local communities. And this is a social and environmental heritage on which the new decentralized local government can rely on. These are the important references and two principles that are engrained in Nepali society.

The issues relating to agriculture and tradition, respect for different language and culture, consensus creation from the bottom up need to be addressed with local bodies.

Public finance and its relation to business present a new challenge in Nepal. For instance, air pollution in Kathmandu is a result of bad contract management and contractors to a large extent. It has occurred due to poor governance which creates hazards for people and makes it difficult to address environmental issues. We hope that with the completion of local level elections the responsibilities will be decentralized, the Kathmandu Municipality will get better representatives and the elected politicians will be in charge of Kathmandu instead of the party leaders.

Managing public finance in an accountable manner remains to be a challenge in the country. Similarly, keeping contractors responsible for their works, ending with cartels (which make business expensive), creating competition, and encouraging innovation are equally important as well as difficult. There will be more chances for these to happen when local bodies will be in charge and elected officials will be held accountable.

The principle of identity seems to be the most challenging one for Nepal at present. Public is fearful of this word because the discourse of identity unfortunately has been associated to the civil war. It has not been resolved by the

Peace Agreement and although the new Constitution addresses the issue, large parts of Nepali society do not take ownership of the document.

Coming from a country that is diverse and where identity is fostered and protected by local democracy, I really believe that reorganization of the state will make identities strong and which will not compete with integrity of the nation.

The strong religious roots of many heritage sites in this country will definitely be protected with the local government bodies in place. It is critical to do so and is a dimension that we will have to foster together as it does not fall in the priorities of the National Planning Commission. The issues relating to agriculture and tradition, respect for different language and culture, consensus creation from the bottom up need to be addressed with local bodies. Therefore, these are the challenges and as a friend of Nepal, we are here to help build these institutions and address the mentioned concerns. I hope that the Himalayan Initiative will help Nepal to advance on this road, which will have hurdles. The innovation being proposed will be applicable to the construction of a democratic, pluralistic and successful Nepal.

KEYNOTE SPEECH

Mahendra P. Lama



Mountain areas like Bhutan, Myanmar, Nepal, and Pakistan have much larger choices and prolific opportunities to make an entry to South East and East Asia through India's Act East policy, and Central Asia and Europe through China's OBOR initiative.

BIG VISIONS STRIKING ROUTES

Big visions have started striking routes; for instance, both the Act East Policy of India and the OBOR Initiative of China are being implemented. They have their embryonic origin and structural evolution in the Himalayas and invoke and reposition the 'Silk Road Spirit' and 'Tea Horse Route'. It enunciates Asia's grand thinking about the Asian Century and Asian Value, with overarching programs and staggering projects, questioning the traditional models of regional integration and cooperation. Meanwhile, they bring new regional structures which emphasize on connectivity such as the India-Myanmar-Thailand Trilateral High Way, BBIN Motor Vehicle Agreements, China Pakistan Economic Corridor (CPEC) and the Lhasa-Kathmandu Railway line. Therefore, mountain areas like Bhutan, Myanmar, Nepal, and Pakistan have much larger choices and prolific opportunities to make an entry to South East and East Asia through India's Act East policy, and Central Asia and Europe through China's OBOR initiative. As such, newer techniques and more innovative

forms of negotiations have emerged with local and provincial actors taking the center stage. In India, as the precincts of Cooperative Federalism of Prime Minister Modi unfurls, North Eastern and Northern provinces now play more critical roles; engaging immediate geographies/ communities, cultural ecologies and political sub-systems.

Finance and investments have been forthcoming with institutions and special-purpose vehicles such as AIIB coming forward. Whereas, funds from organizations such as ADB, JICA, UN, World Bank along with private funds are going to be key in trade and investment. There are three critical issues to be considered. These initiatives will be India's and China's most effective entry and durable presence into the geographies, societies and economies of this region. It could change the entire matrices of cooperation in South Asia and could trigger a "new regionalism". South Asian regional identity may get submerged into the conundrum of hugely connected geographies and emerging socio-economic complexities.

However, in both ventures the core element is borders, which are increasingly seeing a discourse shift - from boundaries and borders as a geometric line where national security threats and orthodox military strategy remain the core to borders as opportunities, from a Competitive-Rivalry Framework to a Cooperative Integrative Framework.

Crucial to China's OBOR project and India's Act East policy is to re-recognize and relocate borders as borderlands where there are intrinsic interplay of natural resources, culture, societies, commerce, tourism, water towers, technology, roads and communications. The moment we make borders softer and interactive, economic integration and people-to-people contact become much more prolific. If borderlands are made a theme of interaction, this fosters participation of local geographies and natural resources and bio-diversity acquire core importance. This, therefore, fosters people centric multiplicity of cooperation with connectivity being revived and rebuilt, and cultural and historical heritage rediscovered.

RENEWABLE ENERGY IS REFOCUSSED

India's commitment to comply with the provisions

of the Paris Agreement at the 21st Conference of Parties (COP) to the UN Framework Convention on Climate Change¹ and its Intended Nationally Determined Contributions (INDC)², would be another major factor that is likely to trigger tangible changes in future energy mix.

The Government of India now has a National Mission for Sustaining the Himalayan Ecosystem which is a part of the National Action Plan on Climate Change. This National Mission has produced a Mission Document in 2009; produced by the Ministry of Science and Technology, and covering over 51 million people in the Himalayan regions. The focus of this document is on Himalayan glaciers, biodiversity, wildlife, traditional knowledge and livelihood along with planning for sustainable development. It makes special emphasis on the

1. The per capita emission generation will rise from levels of 1.7 ton in 2012 to 3.3 tons in 2030 and further to 5.8 in 2047. NITI Aayog (2015), pg 18

2. INDC outlines the measures countries intend to undertake mainly to: (i) reduce greenhouse gas emissions, (ii) adapt to climate change, and (iii) provide financial, technological and capacity building support by developed to developing countries.

the real challenge is how to translate the scientific and technical literature on climate change into accessible and affordable public goods

development of human knowledge and capacities, institutional capacities, policy building and governance, continuous self-learning and balancing between forces of nature and action of mankind.

Thus, the real challenge is how to translate the scientific and technical literature on climate change into accessible and affordable public goods so that they could be read by school children to farmers, from professionals to literary figures and by media persons to housewives. Similarly, how do we apprise the scientific and policy making bodies of the great deal of experimentation and adaptations done at the community levels in the remote villages. Media, both print and electronic, have a very significant role.

INNOVATORS IN THE HIMALAYAN AREAS

We have a rich heritage including mountain agriculture heritage, distinct innovations and

inventions emanating from the mountains, water towers and bio-diversity inspired civilizations, IP resources which triggered a range of cross border conglomerates. Yet, we are struggling in terms of gaining a solid development foothold. The siphoning away of the cream of development from the highlands to the lowlands continues to be the biggest development and governance challenge in the mountain regions.

The phenomenon of mountain capital flight has been the reason for the low growth and development equilibrium in the mountain regions despite heavy extraction and exploitation of natural resources. Over the decade we have realized that this happens due to four critical factors: i) imposition of macro level and even global planning and development models, ii) institutional laggardness, iii) absence of critical mass of indigenous innovators, iv) lack of markets and connectivity. Given the changing context, innovations and innovative critical mass is the key.

The Himalayan Consensus Summit brings together these ideas of innovation and relevance to mountain areas. Our mountain regions continue to be conflict-ridden, and nowhere in

the world do we find this concentrated location of conflicts which has had dreaded and deleterious impact - economic devastation, environmental dislocation, social instability and infrastructural destruction.

However, the most deleterious and far-reaching impact has been the alienation and marginalization of an entire generation. A generation that only saw a floundering state, systems collapsing, failing governance, desperate communities, and are carrying the

memories of violence, killings and extreme human insecurity. So, in a way to bring back a new normal situation we have to actually wait for a new generation to emerge and this adversely affected generation to fade away. This is a long wait and the most harrowing experimentation.

Therefore, there is a need to study, analyze and prevent these issues through collaboration among private and public institutions across borders.



SESSIONS

SESSION 1 **RENEWABLE ENERGY**

Mainstreaming the Alternatives



THIS SESSION stressed on the need for a holistic approach to deal with issues regarding renewable energy. There are various sources of alternative energy and their efficient use should be promoted. The session explored the emergence of solar and wind as renewable energy ventures with enormous growth potentials, the need for better energy storage technology as well as the need for a people-centric approach to transport management. Subsidies were discussed as a possible constraint to scaling up renewable energy development. The session primarily discussed the possibilities of mainstreaming the alternative sources of energy and decentralizing them. This session was facilitated by [Arnico Panday, Senior Atmospheric Scientist, ICIMOD](#).

Bhushan Tuladhar

Regional Technical Advisor, South Asia, **UN-HABITAT**

In Nepal, growth in the number of vehicles is slowly exceeding the growth in the national economy. This stems from the lack of good alternatives. Only the implementation of a people-centric approach to transportation (instead of car-centric) can address the issue of transport mismanagement. In other words, focus should be placed on changing commuting habits of the population; environment friendly proactive approaches which address the needs of the people must be facilitated; and planned construction and expansion of roadways should be practiced. Alongside, awareness and mentality shift among general public is required to mainstream the alternative modes of transportation.

People need to be made aware of the economic benefits of walking and using bicycles as a means of transportation. For instance, introduction of pedestrianization in New York helped in the substantial increment of economic activities around Time Square as people now prefer to skirt and shop instead of sitting ideal in their offices. Considering these multifaceted benefits, the Government of Nepal should also consider mainstreaming people-centric approach to transportation.



Bibek Chapagain, *Energy Advisor*,
ROYAL NORWEGIAN EMBASSY

Traditional practices of using coal as a source of energy in the Himalayan region must be altered and focus should shift to using renewable resources as a main source of energy. For instance, supply of renewable resources can be harnessed with the use of wind and solar energy which are also emerging sources of renewable energy. In Fiscal Year 2015, 90% of energy investment was made in wind and solar energy globally.

Additionally, with the improvement in supply, renewable energy is becoming more affordable. And, to continue the promotion of investments in renewable energy, integrated or regional market and stable policy should be developed and subsidies should be used as a fuel rather than a constraint in scaling up the market.



Guneshwar P. Mahato, *CEO*
NEXUS TECHNOLOGY P. LTD.

A holistic approach should be used to develop renewable energy as it helps to address interrelated issues. For instance, solutions to water and energy issues can have an indirect impact on issues related to health and information respectively. Nexus Center Nepal has used inclusive approach to solve problems which has helped rural communities of Southern Nepal to get access to safe drinking water, internet and other entrepreneurial opportunities. This process has not been free of challenges. Lack of manpower due to increased migration of men for foreign employment and low awareness in general public are a few examples. In order to address these problems, Nexus Technology has started employing women as they are less likely to quit jobs in comparison to men.



Vincent Wierda, *Program Manager*

UNCDF

Issues of energy deficit should be addressed through decentralized and community led solutions. Potential investors must be encouraged to make necessary investments to overcome this crisis. In order to promote private investments, government should create supportive environment by discouraging subsidies and providing proper financial solutions for starting and expanding businesses.

The investors should also focus on developing software and service oriented aspects of business along with the infrastructure. Doing so would not only help to ease the distribution of energy but also increase its overall access, thereby bringing the desired financial inclusion. For example, the use of solar energy in Africa increased the use of mobile banking. Similarly, access to energy can provide solutions in the field of agriculture, water purification etc.



THE SESSION highlighted the emergence of renewable energy as the main source of energy in the future and the subsequent role of government in creating supportive environment for the same. The panel unanimously stressed on the significant role that the government and potential investors play in promoting renewable energy and making it accessible to the larger public.

Key points

RENEWABLE ENERGY should be used proactively for developing a country. Private sector and government have equally important roles in mainstreaming the alternative sources of energy.

HOLISTIC APPROACH should be used to develop renewable energy as it helps to address other interrelated issues.

SESSION 2

REIMAGINING WATER

From Home to Trans-Boundary



There are numerous water bodies crossing the political borders of two or more countries, which create interdependencies between societies that rely on them for social and economic needs. This session brought forth the need for regional collaboration and cooperation between governments to resolve conflicts that may arise out of such trans-boundary waters. Moreover, if countries work together, the risks of climate change can also be abated. The session was moderated by [Celine Cousteau](#), Founder, [CauseCentric Productions](#).

Ajaya Dixit, *Executive Director*

INSTITUTE FOR SOCIAL & ENVIRONMENTAL TRANSITION

Water is viewed differently by different people globally – as a military security element, cultural element, and resource for agriculture and potential business ventures. These differences in perceptions have made water what it is today: Polluted and Profitable that often involves Power and Politics. The guiding principle for water management in the Himalayan region has neglected local wisdom and knowledge that communities have been practicing for thousands of years. Instead, with its history of colonization, it has adopted the hegemonic notion of profit, benefit and utility where all water and river should be diverted to human needs, for irrigation, industrial use and hydropower generation. Moreover, countries have not cooperated in terms of maintaining integrity of water but only in terms of completing certain development projects. This has fragmented the local water ecosystem, compromised livelihood of the dependent communities, and made the poor and marginalized more vulnerable. It is necessary to revisit the perceptions regarding water and find a balance between those perspectives to address these issues. Questions like how cooperation can bring about a different kind of management and add to the well-being of communities dependent on water need to be addressed.





Mats Eriksson

Regional Program Manager, Cryosphere and Atmosphere, ICIMOD

Water is not a sector, it is a connector. There may be several challenges to trans-boundary water management arising out of differences in opinions regarding how, when and for what purpose to use shared water; but this also gives an incentive to initiate dialogues with neighbors. Collaboration, cooperation and data-sharing with neighbors on various water issues – such as the quality of water accessible to people, natural hazards like flash floods, droughts and melting of glaciers caused due to growing threats of climate change – is a must. Meanwhile, organizations like ICIMOD, World Bank and SAARC could become a platform for dialogue and play a role in facilitating such discourses. Additionally, since the Himalayan region has enormous

potential to generate hydropower, collaborations between governments, along with trade, can enormously uplift the region and its people.

Suman Shakya, *Co-Founder*

ONE PLANET SOLUTION / SMARTPAANI

Currently, almost 36% of people in Kathmandu are dependent on tanker-water during the shortage periods. Meanwhile, a 2007 study shows that around 48 billion liters of rainwater are deprived of going into the ground because of built-up urban spaces. Therefore, if practices like rainwater harvesting can be adopted, water woes of the valley can be tackled with. Since initiatives like SmartPaani promote such practices, it should be replicated and encouraged to grow. Furthermore, in the absence of government's contribution in solving pressing water issues in this part of the world, the private sector and youth need to fill in the gaps. To encourage innovation in this sector, institutionalization and coordination are a must.





CELINE COUSTEAU concluded by reiterating the importance of innovation and accessibility of initiatives like SmartPaani to the wider public in addressing the growing issue of water scarcity. She also called for the need to understand different trans-boundary water system issues through research and data collection and sharing of that knowledge across countries.

Key Points

To **GENERATE COOPERATION** for trans-boundary water management, it is of foremost importance to find a balance between various perceptions regarding water.

In order to **MITIGATE NATURAL DISASTERS** like floods and droughts in the region, collaboration, cooperation and data-sharing with neighbors in various water issues is a must.

SESSION 3

MONEY MATTERS

Scaling the Solutions



This session discussed the possibility of implementing prefunding risk systems in the Himalayan region to help the countries better prepare against natural disasters and the usage of green bonds. Emphasis was put on the ways the financial sector can adopt research and development of social entrepreneurs to scale up the investments in the grass-roots level. Discussions were also held in regards to the different financial tools that can be employed in the region to make it more investment friendly. Investment risks that are faced by investors were also discussed in length. The session was moderated by [Sujeev Shakya, Secretary General, Himalayan Consensus Institute.](#)

Allen T. Cheng, *Asia Bureau Chief*
INSTITUTIONAL INVESTOR INC.

Nepal is rich in water resources but it currently does not have the legal and policy infrastructure to take advantage of this position. With the proper legal and policy framework in place, Nepal could become a more attractive investment destination, especially for multilaterals such as Asian Development Bank and the Asian Infrastructure Investment Bank that are currently increasing their lending for infrastructure development in Asia. It is also important for the financial sector to gain exposure to multinational firms across the globe, in order to broaden their scope of knowledge.



Bidhyabaridhi Sigdel, *Investment Director*
DOLMA FUND

For Nepal, there is a lack of sovereign credit rating for the level of investment risks. As such, Nepal would be considered an untouchable for long-term infrastructure investment due to unfavorable business environment. This international attitude towards Nepal is one of the biggest challenges the country faces. Business risks prevalent in the country such as political instability discourages investors, but making such risk palatable should be encouraged to attract investment. Moreover, as the government is planning to generate 10,000 MW through hydropower in the coming years, the need to attract foreign investment is even greater.

Christopher Flensburg

Head of Climate and Sustainable Financial Solutions, SEB

When it comes to finance, it is important to know that globally only 3% to 4% of assets are invested in renewable energy sources and similar projects. With the growing awareness regarding climate change, green bonds have emerged as a tool that raises industry engagement by encouraging investments in sustainable projects and technologies. Green bonds also offer the investors transparency regarding where their money is being invested. Another important aspect of finance is trust. Increasing the trust among investors and making sure that the data are stored and presented in a decipherable manner so that it can be used to make calculated decisions is an imperative aspect of finance. Furthermore, reinsurance is also an efficient way to reduce risk parameters and increase trust.



Eckart Roth, *Chief Risk Officer* PEAK RE

The traditional response to a natural disaster would be to wait for the internal donor machine to become active and support the country in its time of need. This is not efficient and does take substantial amount of time. Right after a disaster, there is an immense need to insert liquidity into the economy to help entrepreneurs who have been negatively affected by the disaster get back on their feet. Prefunding risk, which is an instrument that pays out money, helps to achieve this goal. For the Himalayan region, countries in the region can come together and pool in financial resources into a prefunding risk scheme, which will be activated during the course of a natural disaster.

Such schemes have worked in the Caribbean and Southern African countries.



To close out the session, **SUJEEV SHAKYA** stated that there is a need for innovative financial tools in the Himalayan region for conservation purposes. Rebuilding and restoration can also be accelerated through certain financial tools with insurance products to back them.

KEY POINTS

PREFUNDING RISK and GREEN BONDS have emerged as innovative financial tools to reduce business risks and encourage investment in countries.

REDUCING BUSINESS RISKS and BUILDING TRUST is the bedrock of financial investments.

SESSION 4 **EMPOWERING COMMUNITIES** Through Conservation



This session stressed on the need for conservation of nature and culture to empower local communities. The importance of various initiatives of conservation, such as conducting sustainable ecological interventions, adopting conservation policies, preserving and applying traditional knowledge were discussed. Similarly, encouraging mutual transfer of knowledge from traditional artisans to communities and vice versa, archiving cultural heritage and facts along with maintaining correct information was also stressed upon. The session was moderated by **Gregory K. Tanaka**, Founder, Sierra Consensus Institute.

Cas de Stoppelaar

Consul General of Nepal to Netherlands

The aim of Himalayan Tiger Foundation (HTF) is to double the number of tigers in Nepal as it believes in the notion that protecting tiger is synonymous to protecting nature. As such, habitat of tiger must be increased along with the population of deer as more deer means more tigers. In order to double the number of tigers, sustained ecological intervention is needed, which is possible by increasing the area of grazing land.

Along with the preservation of nature, protecting tigers also increases the inflow of domestic and foreign tourists in Bardia. This would thereby help in improving livelihoods of the local community and empowering them.



Hon Wai Wai, *Research Institute for Tibetan Buddhist Heritage* PALACE MUSEUM

Creating and maintaining cultural heritage database help in empowering local communities. Archiving cultural heritage sites and monuments preserves their historical existence; maintaining database of historical facts helps the communities to understand ancient wisdom and convey correct information about the heritages. Likewise, local artisans should be given proper recognition to motivate them to enhance their skills and continue their works. The preservation of local knowledge will help to rebuild the historical monuments and empower the communities.

Shruti Nada Poddar, *Founder* SHRUTI FOUNDATION

Paintings which are preserved by local Indians reflect the cultural influence of 18th and 19th century in the country. The local knowledge preserved in these paintings is a source of empowerment for the local communities. However, the youth are failing to acknowledge it as they are seduced by glamour of life in the city.

Community empowerment is also about preserving the traditional values and techniques and thereby attaining the most natural ways of living together with animals. Such use of traditional techniques to solve mundane problems of our lives will also make youth realize the most scientific ways of living with nature and animals.



Thomas Schrom, *Cultural Expert* UNESCO

Local knowledge, cultural heritage and monuments are valuable assets of a community. Harnessing the local knowledge helps in preserving cultural heritage and monuments which further contributes in empowering communities. In case of Nepal, local artisans are very skilled but underutilized. The government should employ these experts in reconstruction of heritages by paying them adequately instead of hiring contractors.

The knowledge of traditional artisans must be transferred to the community and vice versa in order to preserve cultural heritage sites. The community should engage in preservation of its culture as it helps in transferring the knowledge to the new generation and empowering the local community economically.



Tshering Tashi, *One of the Directors,* MOUNTAIN ECHOES LITERARY FESTIVAL

Bhutan has been focusing on sustainable economic development for the past five years, and places great importance on preserving its culture, customs and environment. As a result, the communities in Bhutan are empowered and the country is ranked as one of the happiest countries in the world today. Taking economic development of Bhutan as an example, it is glaringly evident that countries relying on tourism need to adopt conservation policy for sustainable economic development. The adoption of such conservation policy has made Bhutan a research hub for Yeti. In fact, the mystery of yeti has motivated many experts around the globe to visit Bhutan and study the existence of biological animal behind the myth of Yeti. Their findings have been equally interesting; as such, one of the professors from Oxford University has found the existence of “Blue Beer”.



THIS SESSION brought together valuable insights on empowering communities through conservation of nature and culture. It highlighted the interrelationship between human beings, wildlife, heritage and nature.

Key Points

LOCAL KNOWLEDGE is the root of modern civilization and therefore we must not forget our traditional techniques and values.

LOCAL SUPPORT is needed not only to protect cultural heritage sites but also to harness the overall ecological environment.



SESSION 5 COMMUNITY EMPOWERMENT Through Social Innovation



This session underscored the importance of incorporating local knowledge to ensure sustainability of any business or project. Community empowerment follows social innovation only if local leaders are identified and directly and indirectly involved in those initiatives. The session also highlighted contemporary challenges to furthering such projects in local communities and potential solutions to them leveraging social and technological innovations. The growing significance of data usage in solving problems facing the world today was also discussed. The session was facilitated by [Tze-wei Ng, Deputy Director for Asia, PILnet: The Global Network for Public Interest Law](#).

Narayan Dhakal, *Executive Director,*

ECO HIMAL

We have adopted three principles for social innovation while working in rural communities - innovative ideas that fit to local knowledge, self-help mechanisms for less dependency and ensuring transformational response post-intervention from the local people. Idiosyncratic community problems tend to be complex in nature, therefore, it is important to have a place-based approach and learning about communities who themselves have recognized and prioritized their problems and found solutions through dialogue and interaction with local government agencies. Moreover, since Nepal is a patriarchal society, it is difficult to deal with certain issues, especially those related to women. A long-term sustainable solution like educating girls is a key to solving such problems. Other challenges in Nepal include political instability, high dependency on donors and disparity within the communities in terms of access to resources between men and women, abled and differently abled and among different castes.



Pushkar Shrestha, *Director,*

GORKHA GAUN RESORT

There are three key challenges for any business or project that involves communities to be sustainable and responsible. First, it is crucial to understand the culture of the community and build trust with local people. Communities can only be empowered if local leaders are identified and involved as key players. Second, understanding and analyzing risks, including insurance, is important when starting a business. Finally, access to finance is important for sustainable practices like rainwater harvesting and waste recycling which often tend to be costly. Appropriate government policies that ease up paying back mechanisms for business ventures is a potential solution.



Ryan Nadeau, *Director of Special Projects*
GALVANIZE, INC.

The use of data science in decision-making is of growing importance, not only for businesses and corporations but also for NGOs and major organizations. Therefore, it is essential to mull over how innovations in the business world can be applied to challenging problems we face today. For instance, live NASA data, temperature data and astrological data can be used to predict floods and storms and alert people in real time through SMS. Moreover, community empowerment starts with individuals and the best way to empower them is through education. Since data is the future, there is a need to educate people around data and rescale the knowledge to become modern developers and data scientists. Coding is the next language that

every child should be learning so that they are taught not just to build their own ideas, but to think like a problem solver.

Viktor Andersson, *ESG Specialist*,
SEB

Social innovation is about providing new solutions to sustainability related challenges to improve the community. Therefore, microfinance institutions to succeed need to be mission-driven, have clear vision of what they want to do, how they want to do it and who they want to help. They need to have a close relationship with their clients - the micro-entrepreneurs. Along with traditional micro-credit, they should provide other services like savings and insurance products that are tailored according to the needs of the local community they are working in.

Sustainability has intertwining aspects to it, for instance, most environmental challenges have social implications and most social challenges have environmental implications. In this regard, various microfinance institutions and companies have started applying the microfinance model to other sustainability-related practices. Therefore, SEB does not just invest in classic microfinance but additional areas like housing, education and clean energy.





The session was concluded by **TZE-WEI NG** stating that legal empowerment is an equally important answer to building resilient community in addition to community empowerment through engagement and participation. Just like mobile medical clinic, mobile legal clinics can be established to reach regions that are prone to girls trafficking and conduct legal education and awareness programs. Furthermore, it is important to adopt policies and reforms that are supportive of new innovations that address social problems.

Key Points

COMMUNITIES can only be empowered through projects and business initiatives if their sustainability is ensured through identification and involvement of local leaders as key players.

INNOVATIONS taking place in the business world, especially those related to data, can be applied to major social challenges we face today.

SESSION 6 **MITIGATING FUTURE CONFLICTS &** Moving Towards Shared Commitment



This session highlighted the importance of building a healthy relationship with the locals rather than using excessive military strength to resolve conflict. Further, it discussed human rights such as right to live peacefully and be equally treated. The importance of protecting cultural heritage sites during war, generating new employment opportunities and conducting educational dialogues to mitigate conflict was emphasized. The session was moderated by **Laurence J. Brahm**, Founder, Chair, Himalayan Consensus Institute.

Christian Manhart

UNESCO REPRESENTATIVE TO NEPAL

Cultural heritage sites must be protected even during the periods of armed conflicts as they represent peace and harmony. For that reason, UNESCO has proposed programs like culture cleansing which preserves cultural heritage sites during periods of armed conflict. Additionally, UN Security Council has unanimously passed the resolution to protect culture heritages.

It is believed that a nation is identified by its culture and therefore to protect it, UNESCO is now working towards resurrecting the most important monuments of war torn countries.



Daniel C. Taylor, *President*

FUTURE GENERATIONS UNIVERSITY

Conflict has to be mitigated from its root and educational dialogues have helped in doing so. In the Southern province of Afghanistan, literacy programs were conducted among women in numerous mosques. This initiative contributed in making making the province the most peaceful region in Afghanistan.

Similar educational dialogues need to be introduced by developing best practices and providing scholarships to students and future leaders of the Himalayan region. In addition to educational dialogues, building trustful relationships is equally important to resolve crisis. Defining oneself in terms of religion and financial status only creates more problems.



Kamran Lashari, *Director General*,

WALLED CITY LAHORE AUTHORITY, *Former Mayor of Islamabad*

The definition of terrorism must be based on equality and justice. Moral stance on defining terrorism needs to be raised by the concerned authorities including the United Nations.

Equal treatment of all human beings must be ensured and their right to live must be protected. Conflict in the Himalayan region can be prevented through economic corridor in the form of pioneering development projects like “One Belt One World”. These projects will help to unfold job opportunities, reduce income disparity, connect remote areas to the mainland and ultimately mitigate crisis.



Sun Yuxi, *Senior Diplomat*

CHINA FOREIGN MINISTRY

Having served as Special Envoy to Afghanistan; Ambassador to: India, Afghanistan, Italy, Poland. China: Establishing good relations with local community is crucial in solving conflict rather than using excessive military strength. Alongside, maintaining patience in critical situations and creating new job opportunities help in building good relations with local communities; this further minimizes aggression substantially and mitigates crisis.

The situation of crisis must be dealt cautiously as it is connected to people's safety. Therefore, it is essential to find the root cause of crisis before jumping into any conclusive action. The outcomes of crisis is broadly defined in terms

of risk and opportunity; and here, the art of building good relations with local community by respecting their local culture and customs must be viewed as an opportunity rather than danger.



ENRICHED BY THE IDEAS AND EXPERIENCES shared by experts and practitioners on the challenges of mitigating conflict, the outcome of this session focused on curing roots rather than its symptoms. Conflict can be mitigated if mutual relationship with the locals is established, desired patience is maintained, economic opportunities are created and cultural identity is protected.

Key Points

ECONOMIC EMPOWERMENT and educational dialogues can be useful tools in resolving conflict.

GOOD RELATIONSHIP with the local community is a must to resolve crisis from its root.



H.E. AMBASSADOR
Kjell Tormod Pettersen
ROYAL NORWEGIAN EMBASSY

**DURING MY
TENURE** in the
Himalayan region,
almost four years
now, I have been
observing how global
pollution is ending up
here, how disaster

management can be affected by geopolitics,
how lack of water is a growing concern and
the impacts of climate change. This region is
prone to all possibilities. We know there are
problems, but we do not yet know how to
tackle them. Hence, Himalayan Consensus
Summit is an important platform for people
with alternative experiences and dedication to
seek solutions and seize opportunities.

The world has never been an easy place to live
in. Throughout my career, I heard that we are

living in exciting times. What might be
interesting for some of us might be harsh and
difficult for others. The reasons for conflicts
vary, there are no absolutes. Historically, the
appetite for resources has been one of the
main drivers for conflicting interests. Today, we
can see how the consequences of ongoing
climate change are becoming a growing
security threat globally. We must create trust
and build confidence among people and
nations, but simultaneously, we need visions,
commitments to common goals and leaders
with exceptional qualities and skills.

**There are positive developments in the
Himalayas:** there is a growing understanding
that the present paths of increasing pollution and
lack of economic and social developments have
to be dealt in cooperation. And, new ways to
approach the difficulties are needed. Himalayan

Himalayan Consensus Summit is an important platform for people with alternative experiences and dedication to seek solutions and seize opportunities

Consensus, for me, is not only about establishing principles, but more about initiating a dialogue about the common goods and possibilities.

Himalayan Consensus Summit has created a momentum in this respect, but the biggest challenge remains: how to reach out to the people who need empowerment for a better future. Principles and policies are important and necessary steps, but they are only a platform for a long-term implementation and cumbersome process.

There is no right or wrong in this discourse but only options to be explored and stimulated. It is easy to become pessimistic when all the problems are listed but individuals can make a difference. Norway has a reputation of being a peace broker. Despite some unsuccessful facilitation, we believe that it is more difficult to prevent conflicts than to negotiate a peace agreement. There is no doubt that the Himalayan region will face situations where there will be conflicting interests in regard to

resources. But the critical issue is how to solve those conflicts before they turn violent.

There is no perfect answer, but undisputed scientific data are important when policy makers are negotiating. It was seen in High North, the area around the North Pole, where a scientific approach has created a platform for solving potential conflicts over sea rights and access to resources. This area is also very much affected by climate change as the ice on the North Pole and the surrounding seas are melting rapidly. It has created trans-boundary business opportunities and optimism, among others.

The Arctic Council, a high-level intergovernmental forum that addresses issues faced by the Arctic governments, includes member states such as the USA and Russia, while other states such as China, India and Japan are the observers. A structure with a secretariat and working groups are in place. Respect for values, interests, culture and traditions of Arctic indigenous peoples are an important element in this setup and in policy making. This might be a model worth exploring for the Himalayan Region, but it is a step-by-step process. There are definitely best practice examples to be studied since the challenges in both regions are quite similar.

A FOCUS ON Mountains for Regional Cooperation

David J. Molden, *Director General, ICIMOD*



THE HINDU KUSH HIMALAYA

(HKH) region that extends 3,500 km from Afghanistan to Myanmar is home to 210 million and is incredibly rich in cultural diversity with 1,000 different languages spoken in the area. Ten major river basins originate in the HKH, serving 1.3 billion people and indirectly 3 to 4 billion people are benefiting from the food and energy produced in the region. The HKH is an important energy source, carbon stock and biosphere reserve, all of which are important for our future. The

HKH is certainly an asset for Asia and the globe.

Eight countries share this mountain resource base: Afghanistan, Bangladesh, Bhutan, China, India, Myanmar, Nepal and Pakistan. And we are certain that shared management of

resources at the local, national and regional levels will be more beneficial for the countries. Yet, we also know that at this point in time, in depth cooperation amongst HKH countries is difficult. In spite of this political reality, I want to argue that a focus on mountains can lead to better development outcomes, faster and more equitable growth, and more regional cooperation and peace.

The International Centre for Integrated Mountain Development (ICIMOD) was founded more than 30 years ago. Visionaries had the idea to focus on mountains and bring countries together to share knowledge. Nepal has proved to be an ideal place to host ICIMOD's headquarters, as it is a meeting place for mountain people and mountain nations.

The early days were not easy. Most countries viewed ICIMOD as serving national interests. But that has changed in recent years, with countries looking at ICIMOD as a regional

The HKH is an important energy source, carbon stock and biosphere reserve, all of which are important for our future. The HKH is certainly an asset for Asia and the globe.

platform that bridges knowledge with policy and practice across borders. We recognize that there are many common issues across countries such as climate change, migration, agriculture, and community management of resources. In addition, ICIMOD deals with issues that cross national boundaries such as biodiversity and ecosystems, water, disasters, and air pollution. We have found that countries have a great interest to share knowledge and learn from each other.

The 4th IPCC Assessment Report in 2007 marked a turning point for HKH climate science. In this report, we not only found how fast glaciers were melting, but, more importantly, realized that there was too little data about the HKH as a whole. And suddenly, much national and global interest shifted to climate change and melting glaciers, and the possible impact on water resources.


Now let me briefly turn to climate change. We know that temperatures are warming more rapidly at higher elevations, there is increased glacier and snow melt across the HKH and this leads to changing hydrologic patterns. However, less is known about changes in rainfall and the monsoon, but it is likely that we will see more extreme events like heavy rainfall and longer periods of less rain. An increasing volume of science is aimed at refining this knowledge and obtaining a better indication of the magnitude of change taking place in our environment as to help us better predict the future events.

The consequences of climate change are shifting ecosystems and agricultural systems, changes in hydrology and the possibility of increase in incidences of floods and droughts. The impacts of glacier and snow melt will be felt the most in high mountain areas where people depend directly on snow and ice, but downstream there may not be a huge impact

on the annual volume of flow in big rivers such as the Ganga or Brahmaputra because models also predict increase in annual precipitation in the future. Ultimately, if we do not adapt, this will have negative consequences on human well-being.

There is also a realization that in the HKH we are experiencing change in many different dimensions, along different sectors that intersect and diverge – something we refer to as climate + change. There is climate change, but it is mixed with globalization, migration, urbanization, an increasing demand and use of water and energy coupled with a growing infrastructure development. It is the interaction of all these factors that adds complexity to our understanding of the socio-ecology of the HKH.

However, we need to acknowledge that while change brings challenge, change also offers opportunity. For example, high mountain niche products when linked with markets can bring money to mountain people. Ecotourism is one example of mountain value chains, but there



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are others in agriculture like medicinal herbs, nuts and fruits. The mountains can take the lead in innovations for clean energy to provide energy for all. There is an increased role of empowered women in mountains which will open doors for more sustainable management and use of mountain resources. And we can take advantages of linkages between upstream and downstream people to share the benefits of development equitably. To take advantage of change, there is a central role for business to assume in sustainable mountain development.

There is a special initiative at ICIMOD that has relevance to our current discussion: the Himalayan Monitoring and Assessment Programme (HIMAP). This program is compiling an IPCC-like report for the HKH and will cover

climate change, livelihoods, ecosystems and sustainable development from different vantage points. The report brings together the most current knowledge and science about the HKH and addresses key policy issues around all of these topics.

Importantly, the HIMAP report is aimed at encouraging cooperation between countries. To compile the report, we have more than 300 people from across the HKH sharing knowledge, science, and experiences. I would like to suggest that the next Himalayan Consensus meeting could have one focused session on creating a science-society-policy dialogue based on the HIMAP assessment, and focus on key actions that need to be taken now for a sustainable future.

We can look to the Arctic to find inspiration for this kind of cooperation. Also heavily influenced by climate change, nations in this region have created the Arctic Council, an organization of eight countries that historically did not always see eye-to-eye. But for the cause of climate and environmental change they have set aside their differences and became a united force and shared resources to improve scientific data for the purpose of informed policy making that will impact future generations. A first step was a scientific assessment done by researchers from across the Arctic countries to inform policy discussions. Can we think of a "Himalayan Council" wherein mountain people and countries work together to solve HKH mountain problems? It's too early to tell, but there are possibilities and the time is now.



Renaud Meyer, *Country Director* UNDP

It is indeed a sad reality that we are witnessing rising conflicts of various scales in all parts of the world. And more often than not, these

conflicts are described and labelled as religious or cultural, fueling the belief made famous by Samuel Huntington as early as 1992 in a lecture entitled “The Clash of Civilization” at the American Enterprise Institute and later in a book published in 1996.

As we all know, it is based on the hypothesis that people’s cultural and religious beliefs will be the primary source of conflict in the post-cold war era. However, when we analyze the root causes of major conflicts in recent times, looking beyond the claims of those who are instigating, provoking these conflicts or terror attacks, we rapidly understand that poverty, hopelessness, disillusion, inequality,

lack of opportunities, lack of empowerment are more often the real reasons why people fight.

The UK Prime Minister recently gave us an eloquent example of this when she declared that it was wrong to call the tragic Westminster bridge attack, perpetrated by a British born individual, as “Islamic terrorism”. Instead she asserted it was a “perversion of a great faith”.

In UNDP and in the UN as a whole, we strongly believe that disempowerment, be it economic or political, as well as rising inequalities leading to identity marginalization are some of the deeper drivers of conflicts. And this is why we are fully behind the Agenda 2030 and its 17 Sustainable Development Goals. The key issue is to understand these Goals further and not only as a follow up to the unachieved Millennium Development Goals. They are not 17 independent objectives but are strongly interlinked and interdependent,

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meaning none of them and what they underpin will be reached unless all Goals are addressed and progress is made.

Peace, or the absence of conflict is Goal 16. But the issue of inequality has its own Goal, as do poverty reduction and economic empowerment. But, beyond these 17 Goals and their interdependence, the most important message of the SDGs is the concept of “leaving no one behind”. And this is extremely relevant to the topic of our discussion.

Inclusive development is the best and may be the only solution to bring peace to our world. What does it mean by inclusive development? It means development that looks at people not as passive beneficiaries but as actors of their own development. This requires active participation and strong empowerment of all, socially, economically, politically. And what results does it bring? It reduces inequalities in the broadest definition of inequalities.

The Gini coefficient is used most often to measure income inequality. But this raises two big issues: first, the Gini coefficient is a national figure – it does not tell us much, if anything, about what is going on at disaggregated levels of population. Such disaggregation may be by geographic location, caste, religion, gender or any other dimension. Second, inequality is not just about income – it applies to all dimensions of human development and human rights.


What we need to look at carefully is what is happening to such inequalities “between groups” and “within groups”. If inequality is high “between groups”, it creates “alienation” between the groups. If inequality is low “within a group”, it creates sense of “identification” within that group. And both alienation and identification are spoilers for building an inclusive society. They cause polarization. This polarization is one of the main reasons behind conflicts and the divide between rich and poor - at the level of the individuals or at the level of countries – is deepening.

We live in a world where the eight richest individuals on our planet possess the same wealth as the poorest 50% of the total global population. At the level of countries, poor countries feel more and more alienated by the

rich ones, leading to the creation of complex concepts such as Common but Differentiated Responsibilities, which are needed to reach a consensus on global matters.

This is exactly what I mean by alienation and identification leading to polarization. They contradict the spirit of "leaving no one behind". So, where do we go from here? Nepal can show a fairly good Gini coefficient at 32.8 according to the latest Human Development Report launched three days ago by UNDP. Better than Thailand at 37.9, the US at 41.1 and France at 33.1. But as the Gini coefficient only looks at income it does not, in my view, reflect the adequate reality about inequalities.

In the Human Development Report, we also use the Coefficient of Human inequality, which aggregates data on life expectancy, education and income. And then, we start seeing a different picture. Nepal is at 25.8, higher than Thailand at 20.2, the US at 12.9 and France at 9.3. Inequalities in the context of Nepal is a complex matter and reducing them requires proactive policies and practices that address much more than economic growth and contribute to building stronger social cohesion, respect for its diversity, which makes its richer and even greater.



Inequalities in the context of Nepal is a complex matter and reducing them requires proactive policies and practices that address much more than economic growth and contribute to building stronger social cohesion, respect for its diversity, which makes its richer and even greater.

Let me close with three simple and I hope not too provocative messages, which, I hope you will agree are relevant for Nepal:

1. We need to underline how conflict can only be avoided if societies are less unequal and if citizens are more empowered and involved in decisions that affect their lives.
2. Beyond empowerment, we must make the point that conflict can only be avoided when citizens are given a real and genuine reason to hope for a better future.
3. Conflict can only be avoided when leaders in countries and communities demonstrate a genuine commitment to care about the people and first and foremost for the most vulnerable.



Mahendra P. Lama, *Senior Expert*

INSTITUTE OF SOUTH ASIAN STUDIES,
SICHUAN UNIVERSITY

the Himalayan Consensus team felt the extreme need of having an interdisciplinary team that would not only talk about forecasting of a conflict but also determining the different scientific communities, along with organized/unorganized ways of dealing with it.

FOLLOWING THE INTENSE and extensive discourse during the Summit, one of the underlying themes that cut across all the sessions, disciplines and deliberations was about simmering conflicts and crisis across the Himalayas. As this part of the world has witnessed a variety of conflicts, unparalleled in its nature, structure and in terms of the nature of destruction, the Himalayan Consensus team felt the extreme need of having an interdisciplinary team that would not only talk about forecasting of a conflict but also determining the different

scientific communities, along with organized/unorganized ways of dealing with it. This is seen to be relevant today because conflicts are incubating across the Himalayas. Some of them have started showing their tentacles, whereas, some are likely to erupt into a full-blown conflict and unfortunately we do not have the luxury to wait for a situation to redo the entire exercise.

We are likely to experience conflicts that are different in nature, variety and depth. And, there could be a clash between the soft power and

This is a call for a conflict mitigation initiative through a strong, re-assertive team to deal with the effects of climate change and disasters, which have started disrespecting the political boundaries.

hard power, leading to a conflict, given the nature of states here and the uprisings among communities. Some of its symptoms are visible in situations where human insecurities reach its extreme. Additionally, the Himalayan region has witnessed the geographies, communities, cultures feeling threatened; systems and institutions tending to collapse; and livelihood practices getting choked in the mountains. This inability of the systems and institutions to recognize the “new normal” has made us realize the need to come together at an interdisciplinary basis.

The interdisciplinary team would thereby, support, cater to the policy needs and deal with emerging conflicts in an effective manner with the aim of achieving prosperity, peace, stability and harmony in the Himalayan region. This will further enhance realization of projects like One Belt One Road from China and Act East Policy from India. Therefore, this is a call for a conflict mitigation initiative through a strong, re-assertive team to deal with the effects of climate change and disasters, which have started disrespecting the political boundaries.

TOWARDS HCS 2018:

Linking the Himalayas & the Mekong


Sujeev Shakya, *Secretary General*, HIMALAYAN CONSENSUS INSTITUTE, NEPAL

WORLD HISTORY HAS BEEN PLAGUED with geometrical lines being drawn to create nation states and divide humanity that share common natural resources and heritage. The colonization of most of Asia post 1700 and then the hasty decolonization process, that created numerous independent states, has had a long-term impact on how people and economies connect. The Himalayan Region and the Mekong area share the same source of natural bounty through the rivers that generate from the same sources. The time has come to look at how we

can connect these two vast regions that comprise nearly one third of humanity.

The global events of 2016 have left an irreversible mark in global geopolitics. Regionalism and people-to- people connectivity has become the new definition of globalization in contrast to large western firms buying or managing businesses or major surge in exports from third world to first world. Economies rely on the relationship between people who do business, trade or service transactions; therefore, it becomes important to build connectivity based on these relationships in spite of the political narrative. In the Himalayas, conflict has been a perennial issue. A geographical region sharing the same natural resources and challenges are being put into different political straight-jackets that are managed from hinterland capitals that do not understand the nuances of life in the

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The future of sustainable economics with tools that help us to mitigate conflicts lies in bringing together people-to-people contact that can build a relationship of exchange including economic ones. HCS 2018 can look forward to extending its platform to the region for a discourse to benefit more people.

Himalayas. This has led to multiple complications on the way economies shape.

The Mekong River Commission (MRC), established in 1995, provides a platform among others to explore economic co-operation between the various countries where the Mekong runs through; and the ASEAN acceleration of connectivity is helping the Mekong area to further economic cooperation especially benefiting people-to-people connectivity. Similarly, the Himalayan Consensus believes that the core of economic growth in the region lies in providing platform for connecting ideas, people and economies. The Himalayan Consensus Summit (HCS) in 2016 and 2017 have thus tried to bring about

a platform which looks at Himalayan ideas that cater to global prosperity.

With the source of both Himalayan rivers and Mekong being the Tibetan plateau, it is becoming more important to look at the region with the lenses of co-learning and

co-creating future paradigms. With Myanmar emerging as a key connector between the MRC and the Himalayan region, the importance of linkages are further important, as this country that was in isolation has reconnected with the world in 2012. This development is in line with both One Belt One Road initiative of China and Look East policy of India that are seeking inter-connectivity between the regions. Lao, Cambodia, Thailand and Vietnam have great potentials in linking with the Himalayan markets. These countries are noticing more new age enterprises working on renewables, sustainable enterprise and climate change resilient tourism businesses. There are many areas of cross-learning and opportunities to replicate success in one area to another in a pan-Himalayan-

Mekong region. Global funds and investments that are keen on quicker replication of ideas will be keener to have such a geographical base with close to a billion people.

HCS 2018 will therefore, attempt to bring together some practitioners and interested participants from the Mekong area to keep the ball rolling. It will be interesting to ideate on extending some of the current HCS commitments to the region and also make use of the vast repository of institutions like ICIMOD to the Mekong area. The evolution of

HCS will be to reach out to many more people who are keen on the discourse in the Himalayas and see how this can impact the other regional discourses.

The future of sustainable economics with tools that help us to mitigate conflicts lies in bringing together people-to-people contact that can build a relationship of exchange including economic ones. HCS 2018 can look forward to extending its platform to the region for a discourse to benefit more people.

HERITAGE RESTORATION Work by the Himalayan Consensus

Each year the Himalayan Consensus undertakes heritage restoration as a symbol of community identity, empowerment, and resilience. Restoring a heritage site involves community participation and engagement, employment of artisan and craftsmanship, and upliftment of community spirit in reviving local identity.

HCS 2016 unveiled restoration of Sulema Temple in Patan, identified in the aftermath of the 2015 earthquake, as a symbol of local identity. Undertaken by the Kathmandu Valley Heritage Preservation Trust, supported by the Himalayan Consensus, it sparked a revival of community restoration efforts.

At the second HCS, together with UNESCO, we undertook the re-building of Tashi Gomang, an ancient stupa at Swoyambhu, entirely collapsed by the 2015 earthquake. During a site visit on the eve of the HCS 2017, board members further



committed to the restoration of Shantipur, one of Kathmandu's most important tantric temples, as our project for HCS 2018.



*Tashi Gomang Stupa, Swoyambhu, HCS
2017 Heritage Restoration Site.*



PARTNERS EXHIBITION

During the two day Summit organized at Hotel Himalaya, SABAH Nepal displayed handicrafts of over 2,500 home women workers. Products displayed ranged from hand woven fabrics, knitwear, accessories, herbal tea and hand-made soaps.





SABAH NEPAL is the social business organization which works towards strengthening the livelihoods of financially deprived and marginalized women home-based workers in Nepal. The organization is owned and operated by its 2500+ women members scattered in 14 different districts of Nepal. Its objectives are to provide a platform for home-based workers to own, manage, operate and market, skills and products, enabling collective marketing and to optimally utilize available natural resources and indigenous skills for conversion into innovative products.



MANDALA BOOK POINT displayed its range of books during the Summit, showcasing books by some of the speakers of the HCS 2017 and other authors from the Himalayan region.



MANDALA BOOK POINT is a central meeting point among scholars, researchers, academicians, historians, anthropologists, and tourists visiting Nepal. It is an intellectual hub to meet scholars around the world. The collection of books covers different subjects and intends to acquaint its readers with the society, culture, religion of the entire Himalayan belt to protect and preserve the Himalayan culture and heritage.

PHOTOS
From the Summit



Participants of HCS 2017 at Hotel Himalaya.



Celine Cousteau making closing announcement.



H.E. Ambassador Yves Carmona and H.E. Ambassador Kjell Tormod Pettersen among the participants.



Interview with Christopher Flensburg and Eckart Roth in the media booth.



The registration desk.





(L-R) Laurence J. Brahm, Franz J. Hahn, Nga Le and Sujeev Shakya



Hon Wai Wai with Suman Shakya



SunYuxi giving closing remarks.



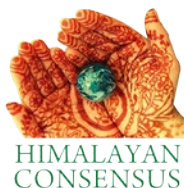
Q and A during a session.



Himalayan Consensus Secretariat Team 2017

ORGANIZERS

The Summit will be led by the Himalayan Consensus Institute and the implementation partner for this Summit is Nepal Economic Forum.



HIMALAYAN CONSENSUS INSTITUTE

motes grass roots innovation to evolve the social enterprise concept into fresh models for community empowerment, addressing challenges of climate change across the Himalayan region.

Areas of focus include: renewable and

efficient energy, organic agriculture, water conservation, inclusive finance, and prevention of conflict. Key themes include: empowerment of identity through heritage and artisan protection, and the closing of income gaps through economic empowerment of communities.

The Himalayan Consensus process involves convening an annual conference that will bring together both grass roots and NGO pioneers of social enterprise across the region, together with business and financial leaders, in seeking pragmatic ways to scale local solutions. Throughout the year the Himalayan Consensus Institute will matrix outcomes from the conference together with examples of social enterprise innovation across the Himalayan region, evolving these into a fresh economic paradigm.

www.himalayanconsensus.org



NEPAL ECONOMIC FORUM

NEPAL ECONOMIC FORUM

(NEF), is a not for profit organization aiming to be Nepal's premier private sector

led economic policy and research institution. NEF strives to re-define the economic development discourse in Nepal, and works towards strengthening the Nepali economy through various activities that promote the growth of an efficient and inclusive private sector. NEF engages in research, analysis and information dissemination to shape national agendas through partnerships. NEF is currently a recipient of the Think Tank Fund by Open Society Foundations. NEF, this quarter was featured in the list of Top 100 Think Tanks in Southeast Asia and the Pacific in the 2016 Global Go To Think Tank Index Report released by the, Think Tanks and Civil Societies Program under the University of Pennsylvania.

www.nepaleconomicforum.org

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Kathmandu
Office

Himalayan Consensus Summit 2017

Secretariat

Nepal Economic Forum, Lalitpur-3, Nepal

Tel: +977-1-5548400 E-mail: info@himalayanconsensussummit.com