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RESEARCH

Global Governance and Small-State Agency: A Comparative Study of Nepal's Efforts, Challenges, Innovations, and Future Strategies

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Abstract

Global governance is increasingly shaped by challenges that transcend national borders, including climate change, pandemics, migration, international economic instability, technological transformation, artificial intelligence, and sustainable development. These challenges have expanded opportunities for small states to exercise influence through multilateral institutions, coalition-building, niche diplomacy, normative entrepreneurship, knowledge diplomacy, and institutional innovation. This study examines Nepal's evolving role in global governance through a comparative analysis of Nepal, Bhutan, Rwanda, and Costa Rica. It asks why Nepal's substantial international participation has not consistently translated into equivalent agenda-setting influence and identifies institutional mechanisms that could strengthen its future role. The study adopts a qualitative comparative design based on government documents, international institutional reports, scholarly literature, official statistics, and researcher-collected materials. The analysis focuses on multilateral participation, institutional capacity, niche and normative diplomacy, knowledge and governance innovation, and coalition-building. The study develops the concept of Institutional Conversion Capacity, defined as the ability of a state to transform diplomatic participation, institutional access, knowledge, expertise, normative legitimacy, and international networks into sustained agenda-setting, coalition leadership, and policy influence. The findings suggest that Nepal possesses substantial diplomatic assets, including long-standing multilateral engagement, a major UN peacekeeping contribution, participation in developing-country coalitions, a distinctive Himalayan identity, and growing climate diplomacy. Nepal also currently serves as President of the UN Economic and Social Council for 2025–2026 and is scheduled to graduate from the least developed country category in 2026. However, significant institutional constraints limit conversion of these assets into sustained influence. Fragmented institutional responsibilities, weak inter-agency coordination, limited technical specialization, policy inconsistency, bureaucratic inefficiency, and insufficient public–private collaboration have particularly constrained economic diplomacy. Comparative evidence indicates that Bhutan demonstrates normative entrepreneurship, Rwanda illustrates institutional and governance innovation, and Costa Rica demonstrates the strategic use of environmental diplomacy and international reputation. The study argues that Nepal should not copy these models but adapt their mechanisms. It proposes a Himalayan Global Governance Innovation Model centred on climate and mountain diplomacy, knowledge diplomacy, peacekeeping and peacebuilding, post LDC economic diplomacy, digital and AI governance, strategic coalition-building, and domestic institutional reform. The study concludes that Nepal's future objective should not be to compete with major powers in material capabilities but to become a highly effective small state capable of converting distinctive national resources into international agenda-setting and policy influence.

Keywords: *Global Governance, Small States, Nepal, Institutional Conversion Capacity, Niche Diplomacy, Normative Entrepreneurship, Knowledge Diplomacy, Climate Diplomacy, Governance Innovation.*

1. Introduction

Global governance has become an essential framework for understanding contemporary international relations. Problems such as climate change, international financial instability, pandemics, migration, digital transformation, artificial intelligence, and sustainable development increasingly require collective action by states and nonstate actors. Global governance therefore extends beyond traditional interstate diplomacy to include international organizations, regional institutions, transnational networks, civil society, private actors, expert communities, and knowledge institutions. This transformation has particular significance for small states. Traditional power-based approaches emphasise economic size, military capability, population, technology, and geopolitical weight. Such measures place small states at a structural disadvantage. Yet research on small-state diplomacy demonstrates that material weakness does not eliminate international agency. Small states can exploit institutional rules, coalitions, specialised expertise, reputation, normative legitimacy, and issue-specific leadership to exercise influence disproportionate to their material capabilities *(Panke, 2020; Thorhallsson, 2018).* Nepal is a particularly relevant case. It is a small, landlocked developing state situated between India and China, two major regional powers. Its material resources are limited, but it has developed substantial international diplomatic experience through the United Nations, Non-Aligned Movement, regional organisations, development institutions, and peacekeeping. Nepal has consistently supported rules-based multilateralism, sovereign equality, peaceful settlement of disputes, and international cooperation *(MoFA, 2020, 2026).* Nepal's multilateral role is not merely symbolic. The Ministry of Foreign Affairs identifies peace and security, development, disarmament, sustainable development, and developing-country interests as major areas of engagement. Nepal has participated in UN peacekeeping since 1958 and remains one of the major troop-and police-contributing countries. It also hosts the UN Regional Centre for Peace and Disarmament for Asia and the Pacific and has taken active positions in developing-country negotiations *(MoFA, 2026)*. At the same time, Nepal faces a persistent gap between international participation and substantive outcomes. The problem is visible in economic diplomacy. Nepal has expanded diplomatic engagement in trade, investment, tourism, labour migration, development cooperation, hydropower, energy, and connectivity, but persistent trade deficits, limited export diversification, weak productive investment, and dependence on remittances remain structural challenges. Research materials collected for this study similarly identify fragmented responsibilities, weak coordination, limited technical specialization, policy inconsistency, bureaucratic complexity, and inadequate public-private collaboration as major constraints.

This study therefore asks a broader question: how can Nepal transform diplomatic participation into global governance influence?

The article argues that the answer lies in strengthening what it calls Institutional Conversion Capacity (ICC). ICC refers to the institutional ability to convert diplomatic access and national assets into knowledge, coalitions, agenda-setting, norm entrepreneurship, and policy outcomes. The concept shifts the analysis from "how much does Nepal participate?" to "what does Nepal achieve through participation?" The study has five objectives: to examine Nepal's role in global governance identify institutional and structural barriers to influence compare Nepal with Bhutan, Rwanda, and Costa Rica identify adaptable governance innovations and develop a future strategic framework for 2030–2035.

2. Literature Review and Theoretical Framework

2.1. Global Governance and Small-State Agency

Global governance provides institutional spaces through which states with unequal material capabilities can participate in collective decision-making. Multilateral organisations can reduce some effects of bilateral power asymmetry by providing rules, procedures, voting arrangements, negotiating forums, and opportunities for coalition-building. Small states therefore have strong incentives to support rules-based multilateralism *(Panke, 2020).* However, institutional membership does not automatically create influence. *Panke (2020)* shows that the ability of small states to advance collective interests depends partly on staff resources, institutional positions, negotiation capacity, and the ability to work through coalitions. *Thorhallsson (2018)* similarly argues that small states manage their vulnerabilities through strategies that combine international institutions, alliances, and specialised foreign-policy resources. This distinction between participation and influence is central to Nepal. Nepal has extensive institutional participation, but its capacity to translate participation into agenda-setting remains uneven.

2.2. Niche Diplomacy and Normative Entrepreneurship

Niche diplomacy refers to concentrating limited diplomatic resources on specialised areas in which a state possesses particular expertise, identity, experience, or legitimacy. For small states, issue specialisation can generate influence without requiring comprehensive material power. Bhutan provides a powerful example. Through Gross National Happiness (GNH), Bhutan transformed a distinctive domestic development philosophy into an internationally recognized discourse. The process involved policy entrepreneurship, strategic promotion, venue selection, learning, coalition networks, and favourable international decision-making conditions *(Theys & Rietig, 2020). Ugyel (2024)* further demonstrates that policy windows and policy entrepreneurs helped move GNH onto national and international agendas. For Nepal, the implication is not that GNH should be replicated. Rather, Nepal can learn from the mechanism of normative conversion. Himalayan climate governance, mountain sustainability, climate justice, peacekeeping, and LDC/LLDC concerns could potentially become specialised areas through which Nepal builds international authority.

2.3. Knowledge Diplomacy

Global governance is increasingly technical. Climate negotiations require scientific and financial expertise trade diplomacy requires knowledge of standards, market access, and international law AI governance requires technical, ethical, legal, and regulatory capacity. Diplomatic effectiveness therefore increasingly depends on the ability to connect diplomats with researchers, scientists, economists, lawyers, technologists, and private-sector experts *(Acharya, 2026a).* The researcher-collected evidence on Nepal's economic diplomacy strongly supports this institutional perspective. The documents identify limited technical specialization and insufficient coordination as constraints and argue that foreign-policy initiatives generate opportunities only when domestic institutions can translate them into economic outcomes. This institutional mediation argument is central to the present study.

2.4. Coalition Diplomacy

Coalitions are another important mechanism for small-state influence. States with similar interests can pool diplomatic resources, develop common negotiating positions, share expertise, and increase bargaining power. Nepal can potentially strengthen coalition diplomacy through LDC, LLDC, mountain-state, climate-vulnerable, and developing-country networks. The objective should not be participation in every coalition but strategic coalition entrepreneurship identifying issues where Nepal can provide knowledge, convening power, or agenda leadership.

2.5. Institutional Conversion Capacity

The literature establishes that small states can exercise agency through multilateralism, niche diplomacy, norms, coalitions, and knowledge. Yet an important question remains: what domestic mechanisms connect these resources to sustained influence? This study proposes Institutional Conversion Capacity as that missing link. It has six dimensions:

1. *Strategic Coordination:* The ability of state institutions to develop coherent international priorities.
2. *Knowledge Capacity:* The availability of research, data, technical expertise, and negotiation knowledge.
3. *Diplomatic Entrepreneurship:* The ability to identify policy windows and promote new agendas.
4. *Coalition Capacity:* The ability to mobilise international partners around shared interests.
5. *Domestic Policy Coherence:* Alignment between international commitments and domestic implementation.
6. *Innovation Capacity:* The ability to use technology and new governance approaches.

The proposed causal logic is: National assets and international access → institutional conversion capacity → agenda-setting and international influence.

3. Methodology

The study uses a qualitative comparative research design. It relies primarily on secondary evidence drawn from government documents, international organisations, official statistics, scholarly literature, and researcher-collected materials. The analysis does not claim to measure "global influence" through a single numerical index. Instead, it uses structured qualitative comparison. Nepal is the principal case. Bhutan, Rwanda, and Costa Rica were selected because each illustrates a distinct pathway of small-state agency. Bhutan demonstrates normative entrepreneurship Rwanda illustrates governance and institutional innovation Costa Rica demonstrates environmental diplomacy and reputation-building. Five analytical dimensions are used: multilateral participation institutional capacity niche and normative diplomacy knowledge and governance innovation and coalition-building. The study uses source triangulation. Government policy documents are compared with international organisation reports, scholarly literature, official statistics, and researcher-collected materials. This distinction is important because policy documents primarily indicate intended strategies, whereas independent research and empirical data can reveal implementation constraints. The article does not use the 54-person survey and seven key-informant interviews reported in the researcher's separate economic-diplomacy study as new primary data for this article. Instead, findings from that study are used as contextual evidence about institutional barriers. This avoids presenting a separate study's sample as if it were generated specifically for the present global-governance article.

4. Nepal's Global Governance Performance

4.1. Multilateralism and International Institutional Engagement

Multilateralism is one of Nepal's principal instruments of international agency. Nepal's foreign-policy framework is grounded in the UN Charter, sovereign equality, peaceful settlement of disputes, non-alignment, panchsheel, international law, and mutually beneficial cooperation *(MoFA, 2020).* The current Ministry of Foreign Affairs framework also emphasises peace and security, development, disarmament, and reform of the international economic system. *(Acharya, 2026b).* Nepal's current position provides an important opportunity. It served as President of ECOSOC for 2025–2026, giving it a high-profile institutional platform on socioeconomic and environmental issues. Nepal has also submitted Voluntary National Reviews on SDG implementation and is preparing for graduation from LDC status in 2026 *(MoFA, 2026).* These positions demonstrate institutional access. The harder question is whether access is converted into durable policy influence. The answer depends on preparation, technical capacity, strategic coalition-building, and continuity.

4.2. Peacekeeping as Diplomatic Capital

Nepal's UN peacekeeping participation is one of its most established forms of international engagement. Participation since 1958 has generated operational experience, professional networks, international visibility, and credibility in peace and security. The strategic opportunity is to convert personnel contribution into knowledge leadership. Nepal could strengthen research and training in peacekeeping, mediation, protection of civilians, women, peace and security, post-conflict reconstruction, and peacebuilding. Such a strategy would shift Nepal from being primarily a personnel contributor to becoming a knowledge and policy contributor.

4.3. Economic Diplomacy and the Participation–Outcome Gap

Economic diplomacy demonstrates the conversion problem particularly clearly. Nepal's external engagement covers trade, FDI, tourism, labour migration, remittances, development cooperation, hydropower, energy, and connectivity. Yet the researcher-collected economic-diplomacy materials find that fragmented responsibilities, weak inter-agency coordination, limited technical specialization, policy inconsistency, bureaucratic inefficiency, and weak public–private collaboration constrain outcomes. The collected documents further conclude that external opportunities do not automatically generate development benefits their effects are mediated by policy coherence, administrative efficiency, technical expertise, regulatory quality, and implementation capacity. This finding provides direct empirical support for the ICC framework. Recent official evidence reinforces the structural challenge. The World Bank's Nepal Country Economic Memorandum reports average real GDP growth of about 4.2 percent during 1996–2023 and identify declining exports, weak manufacturing, low productivity, infrastructure constraints, and limited quality employment as major barriers to stronger growth *(World Bank, 2025a).* The implication is that Nepal's economic diplomacy must become outcome-oriented. Diplomatic activity should be connected with measurable outcomes such as realised FDI, export growth, technology transfer, employment, energy exports, tourism earnings, and market diversification.

4.4. Remittances and Labour Diplomacy

Remittances are a major success of Nepal's international economic integration but also a structural vulnerability. World Bank data indicate that remittances amounted to roughly one-quarter of Nepal's GDP in recent years *(World Bank, 2025b).* Nepal Rastra Bank's annual data for 2024/25 also show strong growth in remittance inflows *(Nepal Rastra Bank, 2025a).* The policy challenge is to move from labour-export diplomacy to skills and diaspora diplomacy. This requires stronger bilateral labour agreements, recognition of skills, worker protection, ethical recruitment, destination diversification, and mechanisms for converting diaspora knowledge and capital into productive domestic investment.

4.5. FDI and Investment Diplomacy

Foreign direct investment is another area where approvals and actual development outcomes must be distinguished. Nepal Rastra Bank's FDI survey indicates growth in FDI stock and inflows, but the development effect depends on whether investment produces employment, technology transfer, exports, and productivity gains *(Nepal Rastra Bank, 2025b).* Investment diplomacy therefore cannot be separated from domestic investment governance. Diplomatic missions may identify investors but domestic institutions must provide regulatory, predictability, efficient procedures, infrastructure, skilled labour, and project implementation capacity.

4.6. LDC Graduation and Post-LDC Diplomacy

Nepal's LDC graduation in 2026 creates both risks and opportunities. The transition may reduce some preferential treatment, increasing pressure on competitiveness and export diversification. At the same time, it provides an opportunity to redesign external economic relations around trade, investment, technology, climate finance, connectivity, and productive partnerships. Post-LDC diplomacy should therefore shift from an aid-centred model toward a broader development-diplomacy model combining investment, technology, market access, climate finance, and knowledge partnerships.

4.7. Himalayan and Climate Diplomacy

Climate diplomacy may provide Nepal's strongest future niche. Nepal's Himalayan geography makes it highly vulnerable to climate change but also gives it a distinctive diplomatic identity. The country can build a specialised agenda around glaciers, mountain ecosystems, adaptation finance, loss and damage, biodiversity, water security, disaster risk, climate-induced migration, and sustainable mountain economies. However, vulnerability alone does not produce influence. Nepal needs scientific institutions, data, climate-finance expertise, negotiation capacity, coalition networks, and domestic implementation. The conversion pathway should therefore be: climate vulnerability → scientific knowledge → diplomatic agenda → coalition-building → international policy influence → domestic implementation. The World Bank's current Nepal partnership framework places job-creating growth and resilience to natural disasters among its central development challenges, reinforcing the connection between climate resilience and development policy *(World Bank, 2025c).*

4.8. Digital and AI Governance

Digital transformation is an emerging area in global governance. Nepal is unlikely to compete with major technology powers in frontier technology development, but it can develop niche expertise around AI and digital governance problem relevant to developing and climate-vulnerable countries. Potential areas include AI for disaster risk reduction, digital public infrastructure, digital inclusion, AI-enabled climate information, digital migration governance, cybersecurity capacity-building and digital trade. This would extend nepal's niche.

5. Comparative Analysis

5.1. Bhutan: Normative Entrepreneurship

Bhutan demonstrates how a small state can transform a distinctive national idea into international influence. GNH was not simply a domestic development policy it became a diplomatic instrument and international policy discourse. Theys and *Rietig (2020)* show that Bhutan's influence involved policy entrepreneurship, strategic marketing, venue selection, learning, and coalition networks. *Ugyel (2024)* similarly highlights policy windows and entrepreneurs. Nepal's lesson is to identify a distinctive issue and build institutions around it. Himalayan climate justice and mountain governance provide a plausible candidate.

5.2. Rwanda: Institutional Innovation

Rwanda illustrates a different mechanism: deliberate institutional reform and innovation. Its development strategies have emphasised governance, ICT, innovation, and service delivery. Recent evidence describes a deliberately constructed innovation ecosystem involving government institutions, research bodies, digital platforms, and innovation infrastructure, although outputs remain uneven and donor dependence persists *(Zaidan, 2026).* For Nepal, the transferable lesson is not Rwanda's political model but the importance of building institutional systems capable of delivering policy priorities consistently.

5.3. Costa Rica: Environmental Diplomacy

Costa Rica demonstrates how a small country can build international status around environmental leadership. Its environmental identity has helped establish moral authority in international environmental discussions. The broader lesson is that a small state can use values and internationally shared concerns to compensate for limited material resources. For Nepal, the relevant mechanism is the alignment of environmental identity, domestic credibility, scientific expertise, and diplomatic advocacy.

5.4. Costa Rica: Environmental Diplomacy

The cases demonstrate three conversion pathways:

1. Bhutan: national identity → normative entrepreneurship → global agenda.
2. Rwanda: institutional reform → governance credibility → international partnership and reputation.
3. Costa Rica: environmental commitment → moral authority → international environmental influence. Nepal already possesses the raw materials for a
4. Fourth pathway: Himalayan identity + peacekeeping + multilateralism → knowledge and coalition capacity → global governance leadership.

6. Governance Innovations and Future Strategy

6.1. Global Governance Strategy Unit

Nepal should establish a dedicated Global Governance Strategy Unit within or closely linked to the Ministry of Foreign Affairs. It should monitor emerging global issues, coordinate negotiation positions, map coalitions, prepare policy briefs, connect diplomats with experts, and evaluate diplomatic outcomes.

6.2. Himalayan Global Governance Initiative

Nepal should institutionalise Himalayan diplomacy through a permanent platform covering climate adaptation, glacier protection, mountain biodiversity, water security, disaster risk, climate migration, and climate finance. This would move Nepal from occasional conference diplomacy toward permanent knowledge diplomacy.

6.3. Knowledge Diplomacy Network

A national knowledge-diplomacy network should connect MoFA, universities, think tanks, scientists, technical ministries, private-sector actors, and international experts. The purpose should be to convert research into negotiation capacity.

6.4. Peacekeeping and Peacebuilding Centre

Nepal could establish an internationally oriented centre for peacekeeping and peacebuilding studies. It could offer training, conduct research, support mediation, and develop expertise on women, peace and security and post-conflict reconstruction.

6.5. Economic Diplomacy 2.0

Economic diplomacy should be evaluated through outcomes rather than activities. Missions should have measurable targets relating to exports, realised investment, technology partnerships, tourism, labour protection, and energy cooperation.

6.6. Digital and AI Diplomacy

Nepal should develop selected expertise in AI governance, digital public infracture, disaster technology, digital inclusion, and technology governance for developing countries

6.7. Strategic Coalition Diplomacy

Nepal should focus on coalition leadership in areas where its interests and capabilities overlap: mountain states, climate-vulnerable countries, LDC/LLDC interests, peacekeeping, and developing-country reform of global institutions.

7. Himalayan Global Governance Innovation Model

This study proposes the Himalayan Global Governance Innovation Model (H-GGIM), consisting of seven mutually reinforcing pillars:

1. Himalayan and climate diplomacy
2. Knowledge diplomacy
3. Peacekeeping and peace building
4. Post-LDC economic diplomacy
5. Digital and AI governance
6. Strategic coalition diplomacy and
7. Domestic institutional reform

The model is based on the following logic:

Existing assets → institutional conversion capacity → niche leadership → coalition influence → agenda-setting → domestic development outcomes. The model therefore treats domestic reform as part of foreign-policy strategy rather than as a separate issue.

8. Discussion

The findings support the central proposition that small-state influence is not determined solely by material capabilities. Nepal has considerable diplomatic resources, but their conversion into sustained influence is constrained by institutional fragmentation, limited technical specialization, weak coordination, policy inconsistency, and implementation gaps. The economic-diplomacy evidence is particularly important because it demonstrates that external opportunities are mediated by domestic institutions. This supports a broader interpretation of global governance: international influence is partly produced at home. The comparative cases reinforce this conclusion. Bhutan demonstrates that a distinctive idea requires entrepreneurship and institutionalisation. Rwanda shows that governance innovation requires sustained institutional architecture. Costa Rica illustrates that international reputation is strengthened when domestic policy and international advocacy reinforce one another. Nepal should therefore avoid a purely activity-based diplomatic model. More meetings, agreements, conferences, and institutional memberships will not necessarily generate greater influence. What matters is whether these activities meetings, agreements, conferences, and institutional memberships will not necessarily generate greater influence. What matters is whether these activities produce knowledge, coalitions, rules, norms, investments, market access, climate finance, peacebuilding capacity, and other measurable outcomes.

9. Conclusion

Nepal occupies a paradoxical position in global governance. It has limited material capabilities but substantial diplomatic experience and distinctive sources of international legitimacy. Its multilateral engagement, peacekeeping contribution, Himalayan identity, developing-country networks, and climate relevance create a strong foundation for global governance agency. The central constraint is the conversion of these assets into sustained influence. This study therefore proposes Institutional Conversion Capacity as a framework for understanding Nepal's global governance challenge. Stronger coordination, technical expertise, knowledge production, coalition-building, domestic policy coherence, and innovation are required to transform diplomatic participation into agenda-setting influence. The comparative experiences of Bhutan, Rwanda, and Costa Rica show that small-state influence can be constructed through different pathways. Nepal should adapt these mechanisms to its own context rather than imitate foreign models. The proposed H-GGIM provides a strategic direction for 2030–2035. Its central pillars-Himalayan climate diplomacy, knowledge diplomacy, peacekeeping and peacebuilding, post-LDC economic diplomacy, digital governance, strategic coalitions, and domestic institutional reform-can strengthen Nepal's ability to exercise influence beyond its material capabilities. Nepal does not need to become a major power to matter in global governance. It needs to become a strategically specialised, knowledge-based, institutionally coordinated, and credible small state. Its strategic transformation should therefore be:

1. Participation → influence
2. Vulnerability → agency
3. Diplomatic presence → knowledge leadership and
4. International engagement → institutional impact.

9.1. Implementation Roadmap and Measurable Indicators

The proposed strategy will be more credible if it is accompanied by measurable institutional indicators. Nepal's global-governance strategy should therefore move from activity-based evaluation to outcome-based evaluation. Diplomatic missions and central institutions should report not only meetings, visits, agreements, or participation in conferences, but also the extent to which these activities produce identifiable policy, economic, environmental, knowledge, or security outcomes. For economic diplomacy, indicators could include realised foreign investment rather than approvals, new export markets rather than general promotion activities, technology-transfer agreements, employment generated by foreign investment, energy-export earnings, tourism partnerships, and the resolution of market-access barriers. For labour diplomacy, indicators could include the number and quality of bilateral labour agreements, recognition of skills, worker-protection mechanisms, recruitment-cost reduction, and access to social protection. These indicators would help distinguish diplomatic activity from diplomatic effectiveness. For climate and mountain diplomacy, Nepal could monitor international commitments influenced by its initiatives, climate-finance resources mobilised, international research partnerships created, scientific publications and policy briefs produced, and the adoption of mountain-specific provisions in international policy frameworks. The objective should be to establish a visible chain between Himalayan knowledge production, diplomatic advocacy, international commitments, and domestic resilience. For knowledge diplomacy, Nepal could create an annual Global Governance Knowledge Report identifying emerging international issues, Nepal's national interests, coalition opportunities, and priority negotiation areas. Universities and think tanks should be invited to contribute evidence, while diplomatic missions should provide information on policy developments abroad. This would strengthen institutional memory and reduce dependence on individual officials. Implementation should occur through a phased institutional arrangement. In the first two years, Nepal should prioritise coordination, expert mapping, data systems, and policy coherence. In the following period, it should develop international coalitions and specialised diplomatic initiatives. By 2030–2035, the objective should be to demonstrate measurable leadership in a small number of selected niches rather than dispersing limited diplomatic resources across too many priorities. This approach also requires political continuity. Global governance influence is cumulative: international credibility is built through repeated engagement, reliable commitments, technical competence, and institutional memory. Frequent changes in priorities or personnel can weaken this accumulation. Nepal should therefore treat the Global Governance Strategy as a national institutional agenda rather than a short-term programme of a particular government. Finally, the strategy should preserve Nepal's strategic autonomy. Greater global engagement should not imply alignment against any particular major power. Nepal's comparative advantage lies precisely in its ability to maintain principled multilateralism while engaging constructively with India, China, and other partners. A balanced, rules-based, issue-oriented diplomacy would allow Nepal to diversify partnerships without converting global governance strategy into geopolitical competition.

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