



Fourth CVF Leaders Meeting: Development Reset and Cooperation

*23 September 2025, 1:15 PM to 2:30 PM (EDT)
Conference Room 12, UN Headquarters, New York City*

Excellencies, it is an honour to address the Leaders Meeting of the Climate Vulnerable Forum. I commend Prime Minister Mia Mottley and the Barbados Presidency for their tireless leadership and moral clarity in championing the cause of climate-vulnerable states on the world stage. I come to this Forum with a very heavy heart. As you know, on the morning of 26 August, a flood on the scale of a tsunami hit mountain communities. So far, about 1,400 people have lost their lives and 6,000 are still missing. Many of our towns have been completely swept away, as have bridges and road infrastructure, and we are still grappling with early-stage recovery. In the interest of time, I will be brief and go straight to the core of my call on the international community: a reset in five areas of urgent need for international finance.

First, accelerating climate-resilient development. Every infrastructure investment, from transport corridors to community water systems, must be built to withstand climate risks. We welcome the operationalization of the Lifeline Fund to provide rapid liquidity when shocks trigger severe balance-of-payments pressures.

Second, overhauling development finance. A climate shock must never spiral into a debt crisis. Even our early-stage assessment of the current crisis indicates that we need about US\$5 billion for reconstruction and rehabilitation of our communities, almost a third of Nepal's national budget and about 15 to 20 percent of its GDP. Nepal, therefore, strongly endorses the Bridgetown Initiative spearheaded by Prime Minister Mottley and the Vulnerability to Viability Compact, to unlock affordable, grant-based financing, and scale up debt-pause clauses.

Third, investing in anticipatory science and early warning. We must expand impact-based early warning systems, real-time satellite telemetry, and cross-border data sharing across the entire continuum, from high-altitude glaciers down to the sea.

Fourth, driving green and digital transitions. We must accelerate an equitable transition away from fossil fuels. By expanding clean hydropower and regional grid links, Nepal is ready to serve as a green battery for regional decarbonization in South Asia, while creating digital economic opportunities for our youth.

Fifth, delivering genuine loss and damage finance. The Loss and Damage Fund must be capitalized with new, additional, grant-based resources, not repackaged commercial debt that extracts interest from tragedy. Nepal stands ready to work hand in hand with every member state of the Climate Vulnerable Forum to amplify our collective voice and secure the shared future our people deserve. Thank you.

HON. SHISHIR KHANAL

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