

Statement by Honorable Minister for Foreign Affairs Mr. Shisir Khanal
During the ECOSOC Special Meeting
Safeguarding Energy and Supply Flows: Supporting Global Development through
International Cooperation
UNHQ, Conference Room-1
15 May 2026 (10:00-13:00 and 15:00-18:00)

Excellencies,
Under-Secretary- General Li Junhua
Distinguished delegates.

It is a pleasure and privilege for me to address you at this crucial exchange.

At the outset, I thank my Ambassador Lok Bahadur Thapa, President of ECOSOC, for convening this special meeting on such a pressing global issue.

I also thank other distinguished speakers for their thoughtful reflections.

At a time of heightened global uncertainty amidst deepening conflicts, climate disasters, macroeconomic pressures and external shocks, this dialogue offers a critical pathway to strengthen solidarity, forge partnerships and advance Sustainable Development Goals.

Excellencies,

Over the past several months, we have witnessed unprecedented disruptions in global energy systems and supply chains, with far-reaching implications for sustainable development and human well-being.

The repercussions have been immediate and profound for families, societies, and countries, particularly for Nepal.

While the theatre of conflict looks far, the impacts we feel are close. About 2 million Nepalis work in the West Asia region. Since the conflict began, 1 Nepali national has lost precious life and 27 others have been injured.

We have felt tremors in various sectors-from education, health, and employment to food and energy security, public service delivery, and economic stability.

These disruptions have emerged as serious threats to poverty reduction, human security, and the achievement of the Sustainable Development Goals.

Recent assessments indicate that the global economy is likely to experience sluggish growth, while Asia and the Pacific could incur economic losses ranging from approximately USD 100 billion to USD 300 billion under severe disruption scenarios, with South Asia among the hardest-hit subregions.

The short-term impacts are already evident through rising fuel and freight costs, inflationary pressures, disruptions in food and fertilizer supply chains, and mounting stress on public finances, particularly in vulnerable developing economies like Nepal.

Over the longer term, prolonged disruptions risk reversing hard-earned development gains, pushing millions back into poverty, weakening social services, and widening existing economic and digital inequalities.

While these impacts are felt globally, their severity remains highly country and context-specific. Countries with a high dependence on imported energy, remittance inflows, tourism revenues, external trade routes, and limited fiscal space are facing particularly acute vulnerabilities. In the last few weeks alone, Nepal has seen the loss of about NRs. 2 billion potential income in the tourism sector.

These multi-dimensional challenges are especially pronounced and more acute.

Rising energy prices have rapidly translated into higher transport, food, and agricultural input costs, directly affecting livelihoods, household purchasing power, and broader human development outcomes. At the same time, declining remittance inflows will have additional pressures on macroeconomic stability and on vulnerable families dependent on overseas employment, especially in the West Asia.

The burden is falling disproportionately on the most vulnerable groups, including low-income households, informal workers, migrant families, women, youth, farmers, and small, and medium-sized enterprises.

If prolonged and unaddressed, such disruptions risk slowing economic and social progress and pushing millions into a vicious cycle of poverty, hunger, malnutrition and inequalities, particularly in developing countries and countries in special situations.

In this context, **Excellencies**, let me highlight a few points for our collective action:

First, diplomacy and dialogue are imperative. At a time of heightened geopolitical tensions and uncertainty, we must prioritize peaceful engagement, mutual understanding, and constructive negotiations to resolve differences.

Unhindered flow of energy, food, and other critical resources upon which global development depends must be our utmost priority at all time.

Second, multilateralism is key. The challenges we face today transcend national borders and cannot be addressed by any country acting alone. Safeguarding energy and supply flows requires stronger international cooperation grounded in solidarity, pragmatic partnerships, and respect for the United Nations Charter and international law.

Collective action is critical to responding effectively to food insecurity, energy volatility, trade disruptions, and broader threats to macroeconomic stability and sustainable development.

Third, partnership matters. International financial institutions, multilateral development banks, development partners, and the private sector all have an important role to play in supporting countries affected by these disruptions. Greater investment in resilient infrastructure, renewable energy, sustainable supply systems, and technological innovation is urgently needed.

We must develop innovative and inclusive approaches through sound policy frameworks, blended finance, risk-sharing mechanisms, and targeted support for micro, small, and medium-sized enterprises.

Fourth, vulnerable countries and communities must remain our priority. Developing countries, particularly least developed countries and landlocked developing countries, cannot absorb repeated global shocks alone. For countries like Nepal, rising energy costs and supply disruptions pose serious challenges to development efforts and the livelihoods of ordinary people.

The international community and financial institutions should therefore expand concessional financing, emergency liquidity support, debt relief measures, and investments in resilient infrastructure and renewable energy transitions. Leaving the most vulnerable behind would undermine the promise of the 2030 Agenda for Sustainable Development.

Excellencies,

The road ahead of us is crystal clear:

Global energy resilience and supply chains cannot be strengthened in isolation.

Nor can they be kept intact without ensuring global peace, stability and peaceful coexistence.

ECOSOC, as the principal UN body for international economic and social cooperation, has an indispensable role in advancing coordinated responses that protect development gains, support countries and communities and accelerate implementation of the 2030 Agenda.

Nepal remains firmly committed to engaging constructively with all partners in safeguarding energy and supply ecosystems and ensuring a more resilient, equitable and sustainable future for all, leaving no nation behind

I thank you.