

## **ISAS Brief**

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## Highlights of Oli's New York Visit: Climate Justice and Meeting with Modi



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## Summary

Nepal contributes very little to climate change, but it is one of the countries most affected and vulnerable to climate impacts. In the context that global actions on climate justice have not been too forthcoming, it is essential that countries such as Nepal raise demands for climate justice clearly and consistently. Nepal's Prime Minister K P Sharma Oli did just that in New York recently. His bilateral meeting with India's Prime Minister is another important outcome of his visit, given the urgency of resolving several outstanding issues between India and Nepal.

Nepal's Prime Minister K P Sharma Oli was in New York from 21 to 27 September 2024. He was there to attend the 79<sup>th</sup> session of the United Nations General Assembly (UNGA) and several side events. He also held bilateral meetings with several heads of states and governments, including those from South Asia.

The several events that Oli spoke at besides the UNGA plenary included the <u>Financing the</u> <u>Future: Aligning Finance with the Promise of the Paris Agreement Forum</u>, co-organised by Parliamentarians for a Fossil-Free Future; the <u>Summit of the Future</u>, convened by the United Nations Secretary General António Guterres; the <u>World Leaders Forum</u> at Columbia University; and an interaction at <u>Harvard University</u> in Boston. In these and other forums, Oli stressed climate justice, reiterating the demand for the large greenhouse gas (GHG) emitters to compensate the smaller, developing countries that have no or insignificant roles in GHG emissions, but which have been bearing the brunt of climate change. He <u>called for</u> the increase of climate finance and operationalisation of the Loss and Damage Fund.

During their bilateral meeting, Oli and Guterres <u>emphasised</u> the urgency of drastically reducing GHG emissions, addressing the vulnerabilities of mountainous countries like Nepal, and ensuring climate justice. During his trip to the Everest region of Nepal in October 2023, Guterres had <u>warned the world</u> of rapidly melting Himalayan glaciers and to "stop the madness" of climate change. In his meeting with Oli in New York, he <u>pledged</u> to press the international community for compensation.

Highlighting the climate agenda to re-emphasise calls for climate action and climate justice is extremely important, more so for countries such as Nepal that are highly vulnerable to disasters. The glacial lake outburst flood that Nepal <u>experienced</u> on 16 August 2024 in the Khumbu region is a testament to this. Many more such glacial lakes exist in Nepal's Himalayan region posing high disaster risks. Moreover, Nepal's socio-economic development is highly dependent on sectors such as agriculture, hydropower and tourism that are highly susceptible to climate change. Hence, it needs to continuously raise the claim for climate justice.

Nepal, on its part, has been taking various measures in the fight against climate change. Its Nationally Determined Contribution commitment, as part of the Paris Agreement, is <u>very</u> <u>ambitious</u>. The country has taken initiatives to <u>regenerate its forests</u>, which has resulted in Nepal's forest cover expanding from 26 per cent in 1992 to more than 45 per cent today. It has also been increasing the adoption of <u>electric vehicles</u> at the cost of a decline in its import revenue. When global actions on climate change fall short, the call for climate justice, which entails drastically reducing GHG emissions, increasing climate finance for adaptation and mitigation, and operationalising the loss and damage fund, needs to be re-emphasised louder and repeatedly. Oli has been successful in doing this in the United States.

The second important outcome of Oli's week-long trip to New York was his bilateral meeting with India's Prime Minister Narendra Modi. This is the first bilateral meeting between the two prime ministers after Modi assumed his third term in office and Oli's fourth stint as Nepal's prime minister. A bilateral meeting of the two prime ministers was expected at the <u>sidelines</u> of the sixth Summit of the Bay of Bengal Initiatives for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) in Bangkok in early September 2024. However, due to the postponement of the Summit because of changes in Thailand's domestic political environment, the bilateral meeting of the two prime ministers did not take place.

There appears to some trust deficit between Modi and Oli since 2015 when the latter took a strong stand against India for the economic blockade that India had imposed on Nepal. This was further accentuated when Nepal <u>published a new map</u> in May 2020, delineating the Kalapani, Lipulekh and Limpiyadhura areas, on which both countries have staked claims, into Nepal. Oli was Nepal's prime minister at the time, but the new map was unanimously approved by Nepal's parliament. The publication of the new map was a <u>response</u> to India's construction of a road in the territory and its publication of a map a few months earlier by including those areas within its boundary.

To review the past bilateral treaties between Nepal and India, particularly the 1950 treaty, the two countries formed the <u>Eminent Persons' Group</u> (EPG) in 2016, which prepared a report with recommendations in 2018. However, India has been <u>reluctant</u> to accept the report. Before Oli left for New York, he said during an event in Kathmandu that he hoped India would accept the EPG report. Therefore, the two prime ministers' bilateral meeting in New York was an important event. The EPG report was not discussed in the meeting, but the two leaders <u>agreed to reactivate the bilateral mechanisms</u> that exist between the two countries to further cooperation in various areas and to resolve the contentious ones.

It is unclear why India is reluctant to accept the EPG report. The two countries should talk about it clearly with open minds. The recent meeting between Oli and Modi should thaw the cold relationship between the two leaders. Whatever mechanism the two countries will mutually agree on, it is urgent that they seriously take the initiative to resolve all the bilateral issues that are irritants in the relationship between the two close neighbours.

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