

The Fund for responding to Loss and Damage provisionally sets aside USD 21.6 million for Nepal, following catastrophic Bhote Khosi flash floods

22 October 2026: In response to the Bhote Koshi flash floods, in a resounding show of support, the Board of the Fund for responding to Loss and Damage (FRLD) has provisionally set aside USD 21.6 million from its available commitment authority for Nepal. The decision was made during the Board's first-ever extraordinary meeting. To expedite a response, the Board agreed to pilot an approach which allows Nepal to submit a funding request under the Barbados Implementation Modalities (BIM) outside the standard submission period.

The landmark decision aligns fully with the mandate of the FRLD and builds on its Governing Instrument as well as its existing modalities and policies, signaling how the Fund can work to act as a more agile and efficient responder.

"This milestone demonstrates that the Fund can do what it was designed to do: listen to a country in crisis and respond with urgency, in line with our rules and mandate," said **Camila Minerva Rodríguez Tavárez**, Co-Chair of the FRLD Board. *"The people of Nepal have shown incredible resilience, and the FRLD Board expresses solidarity with the people and the Government of Nepal. Our responsibility now is to ensure that the Fund's response matches the reality on the ground"*

Triggered by a climate-induced ice-and-rock avalanche on 26 August 2026, a massive debris flow and severe downstream flooding devastated Nepal's Bhote Koshi-Trishuli-Narayani river system, claiming many lives and leaving others still missing. While formal assessments are still ongoing, preliminary estimates indicate vast economic loss and damage, with recovery and reconstruction costs expected to place an extraordinary financial strain on the nation. While also noting the massive non-economic loss and damage faced by the Nepalese people and ecosystems that they depend on.

"The tragedy in Nepal is a devastating reminder that climate-induced events are escalating in both complexity and severity, far outpacing traditional international support systems," said **Georg Børsting**, Co-Chair of the FRLD Board, *"These challenges will unfortunately only grow in the future, and the FRLD can help fill gaps not covered by other, existing funding mechanisms. The Board's decision demonstrates the ability of FRLD to respond to the type of catastrophic event that hit Nepal."*

Following Nepal's formal letter on 31 August 2026 requesting support from the Fund, the FRLD Board commenced to assess available options. Backed by strong solidarity from the whole Boardal, intensive consultations were held throughout September and October, culminating in today's extraordinary Board meeting, in accordance with the Board's Rules of Procedure.

The Secretariat will assess lessons from the Board's response to this event for the FRLD's long-term model, noting that the response is without prejudice to the design of the long-term model.

*"By stepping up to meet this moment, the Board has shown that we can adapt our operations to the pressing needs on the ground," concluded **Ibrahima Cheikh Diong**, Executive Director of the FRLD. "This decision not only paves the way to support Nepal's recovery but also marks a step towards the full implementation of the mandate of the Fund."*

Today's decision reflects the Board's capacity to respond to the extreme effects of climate change in developing countries, within the existing governance framework. Ahead of the UN Climate Conference in Antalya (COP31), this milestone provides stakeholders with the concrete evidence of its progress, demonstrating a commitment to responding to crises it was created to address.

ENDS

About the Fund for responding to Loss and Damage (FRLD):

The Fund for responding to Loss and Damage was established to assist developing countries that are particularly vulnerable to the adverse effects of climate change. The Fund's core mandate is to provide rapid, complementary, and effective financial support to address both economic and non-economic loss and damage associated with extreme weather events and slow-onset climatic changes.

For press inquiries:

E-mail: media@frld.org | Contact: Maggie Mutesi – mmutesi@frld.org

Website: www.frld.org
