



**STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY MR. MARTHINUS VAN SCHALKWYK, MINISTER OF ENVIRONMENTAL AFFAIRS AND TOURISM OF THE REPUBLIC OF SOUTH AFRICA, AT THE OPENING OF THE HIGH LEVEL SEGMENT OF COP 12 AND COP/MOP2 OF THE UN FRAMEWORK CONVENTION ON CLIMATE CHANGE (Nairobi, 15 November 2006)**

Mr. President, on behalf of the Group of 77 and China I would like to express our full confidence in your leadership in bringing this meeting to a successful and forward-looking conclusion.

Adaptation is a top priority for developing countries. The G77 & China Group is therefore encouraged by the agreement on activities under the Five Year Programme of Work on impacts, vulnerability and adaptation to climate change, as well as the completion of the principles and governance foundations that will make it possible to operationalise the Adaptation Fund during 2007, which in reality is largely funded by developing countries for developing countries.

Acknowledging the decisive action taken on adaptation in Nairobi, it is also clear that a future, strengthened climate regime would need to more fully balance our international efforts on mitigation and adaptation. Whilst continuing to build our knowledge base on adaptation needs, we must increasingly shift our focus to implementation. In order to access the required new and additional funding, we must also widen the circle of implementation beyond the narrow emphasis on mainstreaming of adaptation into the development process. Adequate and sustainable resources for adaptation are not only critically needed - it is a legally-binding commitment to be implemented by developed countries.

Likewise, we must ensure that the adverse impacts of response measures as it relates to the unintended consequences of mitigation are addressed as a distinct priority in a focused and consolidated work programme.

Mr. President, one issue that will require significant political will is the issue of unlocking and accelerating the development and transfer of adaptation and mitigation technologies, in particular addressing the intellectual property rights barriers. This will require new thinking on the institutional arrangements, cooperation and funding mechanisms aimed at facilitating access to current technologies, stimulating the development of new technologies and expanding South-South cooperation.

In responding to the COP President's call for a more equitable distribution of CDM projects, we must facilitate the development of concrete projects on the ground - thereby ensuring that our capacity building interventions follow a bottom-up approach in partnership with local institutions.

Mr. President, you have challenged us to take advantage of the high level segment to expand the creative space and give practical content and focus to the future. Broadly speaking there are two streams of thinking on future action.

The one approach, favoured by some Annex 1 Parties, says to developing countries "cap now". The other approach says to developed countries: "cap first" and to developing countries "empower first". This second approach enables non-Annex 1 Parties to integrate climate considerations in their development paths without compromising sustainable development, thereby ensuring meaningful contribution within their respective capabilities.

The message from developing countries is clear: it will be unfair and misguided to ignore the fact that Annex 1 Parties achieved economic progress through more than a century of cumulative emissions; thereby building greater institutional, technological and financial capabilities and greater adaptive capacity. This historical

responsibility is the moral and legal basis of Annex 1 Parties' obligation to take the lead in "capping first" under the Kyoto Protocol, and in creating an "empower first" environment for enhanced action by all countries under the Convention.

Mr. President, this understanding underlies the expected outcomes of the Montreal two track process:

- firstly, deeper absolute emission reductions by developed countries under the Kyoto Protocol to be agreed in the AWG by 2008; and
- secondly, building on the Dialogue on long term cooperative action to address climate change by enhancing implementation of the Convention.

Mr. President, at its core this is a process of exercising collective political will and decision-making.

We must make the link in the minds of people around the world between climate change, their development, health & well-being, and their actions - and those of their elected representatives. The people who rely on us for new hope and a strengthened climate deal do not want to see a few countries holding our common future to ransom or retreating from commitments to address climate change.

To succeed we will have to build a new spirit of trust and solidarity, and acknowledge the legitimate fears and concerns of Parties. Political will and being bold in our thinking about the future will carry us through. I think we will be surprised by the amount of goodwill, common resolve and political vision that can be unlocked on all sides of the debate when we put our heads together. Mr. President, the G77 & China stands ready to work with you in tackling our common challenges.

Thank you.