



STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY AMBASSADOR RENE ORELLANA, CHAIR OF THE GROUP OF 77 AND CHINA, AT THE OPENING PLENARY OF THE 40th SESSION OF THE SUBSIDIARY BODY FOR IMPLEMENTATION (SBI40) OF THE UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE (UNFCCC) Bonn, Germany, 4 June, 2014.

Thank you Mr. Chairman,

Excellencies, Ministers,

Distinguished representatives,

Ladies and gentlemen,

1. I have the honour to deliver this statement on behalf of the Group of 77 and China during the Opening Plenary of the 40th Session of the Subsidiary Body on Implementation. I wish to assure you that the Group is willing and ready to engage meaningfully with all Parties. Our support and assistance to you is rendered and reaffirmed.

These are the views of the Group in relation to the following agenda items under SBI,

2. The G77 and China would like to express its concern on agenda item 3(c), regarding the additional period for fulfilling commitments, or the so-called true-up period. As we know, it has been agreed that Parties will be allowed a period of 100 days after the completion of the review of the final annual report for the commitment period to continue to make transactions of Kyoto units, including transfers, acquisitions, issuances, replacements and retirements. The Party's compliance with its commitment under the Kyoto Protocol will be determined after the review of the true-up period. For the G77 and China, it is essential to know the compliance status of the Kyoto Protocol Parties to their Article 3, paragraph 1 commitments during the first commitment period of the Kyoto Protocol. We note with grave concern that a Party has chosen to withdraw from their legal commitments under the KP in the hope to avoid compliance issues – and further note that those legal obligations should be fulfilled until their last day as a Party to the Kyoto Protocol.

Mr. Chairman,

3. Setting the date for completion of the expert review process in time for an informed process in Paris will entail understanding the historical

difficulties in completing the review process, as well as understanding the importance to the G77 and China of knowing the compliance status of the KP Parties in the first Commitment Period. We should not allow technical excuses to delay this very important and politically sensitive issue. The Group highlights that this matter is paramount to trust building among Parties to the ADP negotiations – one cannot expect Parties to agree on new obligations without knowledge of their Partners' compliance with previous commitments.

Mr. Chairman,

4. On National Communications from Parties included in Annex 1, the Group of 77 and China reiterates its point of view expressed in Doha, that the above parties were urged to submit, by January 1st, 2014, their sixth national communications and their national inventories using the revised reporting guidelines on annual inventories for Annex I parties. On national communications from parties not included in Annex I to the Convention, the Group calls on developed countries to enhance their financial support and technical assistance to parties not included in Annex 1 of the Convention, in order to build the capacities needed to facilitate the preparation of national communications and biennial updates.
5. The Group considers also that the continuation of the work of the Consultative Group of Experts on Non-Annex 1 National Communications will be crucial in providing necessary support requested by developing countries. The Group is of the view that the provision of financial and technical support is essential to allow developing countries to meet their obligations in submitting national communications every four years.

Mr. Chairman,

6. We welcome the report of the LEG from its 25th meeting held in Dar es Salaam, United Republic of Tanzania, on 27 and 28 February. We also welcome the progress achieved in the implementation of its 2013 - 2014 work and new activities as part of its two-year rolling work programme for 2014–2015.
7. We also appreciate the Least Developed Countries Independent Expert Group efforts in supporting the LDCs for the National Adaptation Plan process, especially trainings on NAPs and ongoing progress on the development of NAP Central.

8. Let us underscore that the LDCs are still waiting for support to ensure the implementation of the full LDC work program, in particular the remaining elements of the work program other than NAPAs.
9. On National Adaptation Plans (NAPs), the Group believes that for developing countries, adaptation is an urgent and high priority and the Group deplores the lack of funding and technical support as of today to start the NAP process. The question of urgency and priority is glossed over. Support for the LDCs has been unacceptably slow, and the situation for the non-LDC NAPs is no different. Our Group needs expedited funding to kick off the NAP process.
10. The mandate for SB40 regarding NAPs focuses on the review of the NAPs guidelines. It is the view of the Group that it is too early to revise them given that only a few countries have begun the process. However, there might be a few lessons already that can be already addressed, particularly those that can be directed to the GCF so that they can be addressed in financing the formulation and implementation of NAPs, as well as requests to the LEG, AC, and other bodies to address issues challenging the formulation and implementation of NAPs.

Mr. Chairman,

11. The Group welcomes the outcome of the 2/CP.19 on the Warsaw international mechanism for loss and damage associated with climate change impacts. The need to make this mechanism functional is paramount. This mechanism must address the needs of developing countries emerging from extreme and slow-onset events. The urgency for this mechanism has only increased. This mechanism cannot be an empty shell, and it is therefore with great concern that the Group finds itself isolated from the work on the development of the Mechanism plan by interim Executive Committee. We call for an immediate solution to the unprecedented lack of transparency on this matter of survival and development for the group. The Group also calls for the operationalization of the mechanism established by this decision, taking into account the principles of the Convention and national development processes. Carrying out these actions requires the provision of adequate support, creating the appropriate arrangements, and setting out meaningful activities.
12. For this session, we look forward to engage in discussing the composition and procedures for the Executive Committee. We call for a composition that is equitable with membership of this convention, with a majority from developing countries and a similar membership structure

as the Adaptation Committee. On procedures, it is important to think of procedures appropriate to the work of a mechanism, for example, the integration of outside experts on key issues such as migration, humanitarian issues, recovery and rehabilitation and insurance. We call for the provision of adequate support to implement the work of the mechanism, including the activities of the two-year Workplan.

Mr. Chairman,

13. On item 4(b) on financial and technical support, the Group notes that the sixth replenishment process for the GEF was concluded and also notes that there are some new recommendations regarding GEF funding and star allocation. In this regard the Group stresses the fact that the main aim of support provided by the GEF should be focused on implementing projects related to climate change and not only focus on funding reporting processes.
14. Regarding the second review of the Adaptation Fund, the Group welcomes the pledges by Annex II countries amounting to around 100 million dollars. However, the group believes that the main concerns regarding the sustainability, predictability and adequacy of resources to the Adaptation Fund are still not dealt with. The Group believes that the second review should provide recommendations to ensure that adequate and sustainable resources be available for the Adaptation Fund, which is until now the only fund dedicated to adaptation in developing countries.
15. On item 18 regarding the Program Budget, the Group notes that the program budget adopted by the parties in Warsaw included addition of new postings in the secretariat. However the group highlights that the imbalance between adaptation and mitigation allocations within the budget and within the regular postings within the secretariat still exists. The G77 stresses that this imbalance should be reviewed and further consideration to adaptation-related issues should be provided in the incoming proposed program Budget.
16. On Development and Transfer of Technologies, the Group of 77 and China believes that in order to fully implement the Technology Mechanism to enhance the action of technology development and transfer, it is crucial to ensure coordination between the two bodies of Technology Mechanism, the Technology Executive Committee and the CTCN. We look forward to the tangible development and transfer of technologies to developing countries for climate change. The Group emphasizes the necessity for the TEC to structure its work plan for the short and medium term, including the organisation of a thematic

dialogue on enabling environments for technology development and transfer, including the mechanisms needed to address all barriers, such as IPR.

17. Capacity building is of utmost importance to the Group of 77 and China. While we support the Durban Forum on Capacity building, our experience is that it does not go far enough to adequately address our current needs and concerns. Therefore, we are urging our negotiating Partners to accept our proposal for a 2-year work programme that we are confident will resolve many of the problems relating to Capacity Building in developing countries in a manner that will be beneficial to all.
18. The Group is of the view that Capacity-Building is an integral element, and essential to enable developing country Parties to participate fully in addressing the challenges of climate change, and to implement effectively their commitments under the Convention.

Mr. Chairman,

19. On Response Measures, the G77 and China reaffirms the importance to give full consideration to what actions are necessary to meet the specific needs and concerns of developing country Parties arising from the impacts of the implementation of response measures, in accordance with the principles and provisions of the Convention. In this regard, we regret the lack of progress made in Warsaw on the matter, however we still look forward to the favourable consideration of the issue in these Subsidiary Body sessions, towards the adoption of a decision at COP 20 for the continuation of the Forum and the establishment of a mechanism to address the negative economic and social consequences of response measures taken by developed country Parties on developing country Parties. In this regard, we recall the contents of the submission that the G77 and China tabled in Warsaw on the matter, and we believe our proposal has key substantive elements towards the achievement of progress in these sessions.
20. The G77 and China looks forward to the progress to be made at this session towards the 2013-2015 review. We underscore the importance of continuing the work under this agenda item in an inclusive, transparent and balanced manner.

Mr. Chairman,

21. Article 6 is crucial for achieving the ultimate objective of the Convention and for the effective implementation of adaptation and mitigation action.

Therefore, G77 and China welcomes the 2nd Dialogue on Article 6 of the Convention that will take place in this session. It will focus on public awareness, public access to information and public participation as well as international cooperation on these matters. At its 40th session the SBI will consider the issue of subsequent meetings of the Dialogue. The Group of 77 and China considers that it is fundamental to strengthen and support the work of the national focal points for Article 6 of the Convention. Therefore we are working to adopt a decision in Lima in this regard, as well as for enhancing stakeholder participation to address climate change.

22. In conclusion Mr. Chairman, the Group of 77 and China reserves its position on the remaining Agenda items not articulated in this statement and wishes to reiterate our commitment for a fruitful session.

Thank you.