

Options for Long-Term Governance Structure of the UNFC

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Background

- **Since 1992, UNFC developed under Working Parties and various ad hoc groups of experts**
- **Current ad hoc group of experts created in 2004**
- **Interest expressed by some participants to explore longer-term governing structures to support the UNFC while others believe existing structure remains valid**
- **At 3rd session in 2006, Group of Experts directed the secretariat to prepare a paper on governance options in consultation with the Bureau for the 4th Session in 2007**
- **Document ECE/ENERGY/GE.3/2007/3 prepared for 4th session of Group of Experts**
 - **6 options for governance**
 - **Does not address extrabudgetary support**

Long-Term Governance Structure

- **Ensure that UNFC is communicated clearly and consistently including an effective education and outreach campaign**
- **Provide users with technical assistance**
- **Adopt global specifications and guidelines**
- **Technical assistance with adoption or adaptation to national and local specifications and guidelines for compliance**
- **Prepare case studies**
- **Recommend changes to the UNFC**

Possible Options

- **No governing structure**
- **SPE and CRIRSCO, or other external bodies, maintain UNFC**
- **Ad Hoc Group of Experts (status quo)**
- **Working Party**
- **United Nations Global Centre for Fossil Energy and Mineral Resources (UN/CEFEM)**
- **Expert body under UN ECOSOC**
- **Additional options**
 - **Hybrid**
 - **Other?**

No Governing Structure

- **No formal structure once UNFC finalized and specifications and guidelines developed in cooperation with SPE and CRIRSCO**
 - UNFC and associated specifications and guidelines exist as a set of documents
 - Publications and website maintained by UNECE secretariat
 - Education and outreach activities performed by other organizations or by UNECE if regular budget funds available
 - Future Modifications to UNFC on “as-needed” basis
- **Example**
 - UNECE Code on Draught Surveys
- **Considerations**
 - Minimizes bureaucracy
 - Potentially slow process to make modifications
 - UNFC must be sufficiently strong and well-defined to stand on its own

SPE & CRIRSCO Maintain UNFC

- **Similar to the first option, but UNFC would be maintained within SPE and CRIRSCO (or other organizations outside the UN system)**
 - **Organizations would be responsible for the management of the UNFC including all associated activities such as education and outreach**
 - **Would probably require a Memorandum of Understanding with the UN**
 - **Unlikely that UN would provide financial support, so costs absorbed by hosting organizations**
- **Example**
 - **No known comparable example**
- **Considerations**
 - **SPE and CRIRSCO are well-established bodies**
 - **Both organizations have strong technical expertise**
 - **Are CRIRSCO and SPE ready and willing to accept this responsibility?**
 - **SPE and CRIRSCO are not the only systems; many national systems in place and some may feel excluded**
 - **UN member States will have difficulty delegating management of a UN code outside the UN system**

Ad Hoc Group of Experts

- **Continue operating as a Group of Experts (status quo)**
 - Broad-based body of experts from governments, international organizations, private sector, professional societies and NGOs
 - Terms of Reference in place
 - Operate on 2-year mandates from Committee on Sustainable Energy
- **Examples**
 - Many Ad Hoc Group of Experts exist within UNECE
- **Considerations**
 - Existing structure has worked well and is very inclusive with participation from experts representing the full range of affected needs
 - Additional work remains to finalize the UNFC and the specifications and guidelines and existing structure provides continuity
 - Use of the term “Ad Hoc” indicates a short-term activity which may raise questions regarding commitment of the UN over the long-term
 - May be more difficult to raise funds, if needed, and to continue to attract participation
 - Unable to accept long-term commitment required for reliability

Working Party

- **Intergovernmental body composed only of member States**
 - Other stakeholders can participate as observers
 - Can range from very formal and structured with detailed rules of procedure and voting rights to a relatively informal body
 - Document available (ECE/EX/1) providing general guidelines for formation/operation
 - Subsidiary to a sectoral committee
 - Mandate - Up to 5 yrs from Committee on Sustainable Energy
- **Example**
 - Working Party on Gas
- **Considerations**
 - Longer term
 - Structure is very effective for intergovernmental matters
 - Higher profile with UN system provides confidence in the commitment to the UNFC of the UN and member States
 - Membership is limited to governments and participation by important UNFC stakeholders will be minimized

UN Global Centre for Fossil Energy and Mineral Resources (UN/CEFEM)

- **Centres**
 - Organizations chartered by a sectoral committee or other UN organ to serve a specific purpose
 - Inclusive allowing participation by full range of stakeholders
 - Governments take decisions with strong involvement of other international organizations, the private sector and NGOs
 - Can range from very formal to less structured
 - Terms of reference usually very broad with very specific rules of procedure (as defined by its membership)
 - Mandate - Up to 5 yrs from Committee on Sustainable Energy
- **Examples**
 - UNECE Gas Centre
 - UN Centre for Trade Facilitation and Electronic Business (UN/CEFACT)
- **Considerations**
 - Benefits are similar to Working Parties but with more broad representation
 - Could strengthen efforts to obtain extrabudgetary funding if needed
 - Mandate, including Terms of Reference, and Rules of Procedures must clearly allow participation by non-governmental stakeholders
 - Requires firm commitment from key stakeholders
 - Favoured by overwhelming majority at 4th Session

Subsidiary Body Under UN ECOSOC

- **Expert body reporting directly to ECOSOC**
 - Generally operate as intergovernmental bodies
 - Mandate - Up to 5 yrs from ECOSOC
- **Example**
 - Committee on the Transport of Dangerous Goods (since early 1960's)
- **Considerations**
 - Very high profile within UN system - may provide additional resources
 - Will probably be limited to member States with others participating as observers
 - Would require significant level of effort to receive mandate
 - “top-down” decision from ECOSOC or the General Assembly
 - “bottom-up” decision requiring approval from the Committee on Sustainable Energy and UNECE before it could even be considered by ECOSOC

Other Options

- **Hybrid**
- **Other?**

Next Steps

- **By close of meeting need to make near-term decision (ie, up to 2 years) to recommend to the Committee on Sustainable Energy**
 - **Current mandate for the Ad Hoc Group of Experts ends on 31 December 2009**
- **Secretariat will support the decisions of the Group of Experts**
- **Recommend a governance structure to the Committee on Sustainable Energy at its 19th Session in November 2009, including Rules of Procedure**