

Options for Long-Term Governance Structure of the UNFC

Clark Talkington, Secretary
AHGE on Harmonization of Fossil Energy & Mineral
Resources Terminology

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, Group of Experts directed the secretariat to prepare a paper on governance options in consultation with the Bureau for the 4th Session
- Document ECE/ENERGY/GE.3/2007/3 prepared for this meeting
 - 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 with strong organizational management
 - Both organizations have strong technical expertise
 - Are CRISCO 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
 - Could be very difficult to convince UN member States to allow 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

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 ECE/EX/1 provides 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
 - 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

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

- **Table discussion on governance until after report of Mapping Task Force**
 - Ultimate form of UNFC will help define most appropriate governing structure
- **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 December 31, 2007
- **Secretariat will support the decisions of the Group of Experts**