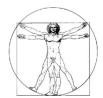
ecbi Finance Circle



On Priorities and Nature

Speaking Notes for the ecbi Reception for the Standing Committee in Bangkok, Hotel Amari Watergate, 5 September 2012

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I. The 'Nature of the Beast'

A discussion of 'scope and functions' (Agenda item 3) of the Standing Committee is inevitably going to lead to a debate on its 'nature', and to be more precise, on whether it is a 'political body'—such as the Subsidiary Body on Implementation (SBI) and the Subsidiary Body on Scientific and Technical Advice (SBSTA)—or an apolitical 'expert group'—such as the Least Developed country Expert Group (LEG).

In certain aspects, the SC is unlike the two paradigmatically political subsidiary bodies of the COP, *viz*. the SBI and SBSTA. For one, the latter are both open-ended, the SC is not. This is indeed an important difference, but not because it somehow implies that the SC cannot be a political (subsidiary) body. The reason is rather that – being a non-open-ended (small) but *genuinely representative*² body, the SC is designed to deliver support to the COP in exercising its functions with respect to the Financial Mechanism of the Convention in a more effective way than was possible under the existing open-ended and very time constrained process of the SBI.³

Neither being 'open ended' nor being a 'subsidiary body' is relevant to the question whether the SC is a political body or not. However, there are two characteristics that are, namely the fact that the SC (i) *reports directly to the COP*, and (ii) has been given the task to *draft language on behalf of the COP*. These two features (jointly) entail the political nature of the SC *qua* subsidiary body of the COP. Looking at Table 1, one could even describe *the nature of the SC* as a – small-scale, thematically focused – *fusion of the SBI and the SBSTA*. Be that as it may, what is clear is that the SC is not merely an apolitical expert group, but a political body tasked by the COP to provide political input in order for it to carry out its own political mandate more effectively and equitably.

Table 1: Political or Expert Group – some characteristics				
	Drafting Text for the COP*	Reporting to the COP*	Providing expert advice to the COP	Open Ended
Standing Committee SC	✓	✓	✓	×
SB on Implementation SBI	✓	✓		✓
SB on Scientific and Technical Advice SBSTA	×	✓	✓	✓
LDC Expert Group LEG	×	×	✓	X

^{* =} jointly entailing a political nature

¹ My thanks to Bernarditas Müller and Paul Bodnar for their insightful feed-back on an earlier draft version.

² Genuine representation is one of the keys to a potential success in drafting language for the COP (see also Müller 2011).

³ For more on this, see Khan and Müller 2012, in particular Section 1.2.

II. Modalities

Given its nature, the SC does have the potential of working in a manner that is not open to the openended subsidiary bodies. For example, because it can meet in the absence of full UN meetings, it can do so more frequently than what is economically feasible for full meetings.

Also, given its format (a fixed number of representatives), the SC can work virtually between meetings (and delegate certain tasks to certain members), thus allowing for more in-depth considerations of the issues at hand, such as the provision of guidance to the operating entities of the Financial Mechanism, or the review thereof.⁴

III. Linkages with Other Bodies.

As mentioned above, the SC was introduced – and the same is true of the other new bodies – to make the work of the COP more efficient, effective, and, last but by no means least, more equitable. This, however, will only be the case if there is an appropriate division of labour – not only between these new bodies, but also between them and the 'old' ones (COP, SBI, SBSTA etc.). There are different ways in which work related to climate finance in general, and the Financial Mechanism in particular, could be allocated between these bodies. One could keep the status quo ante with respect to existing remits, and only allocate new remits to the new bodies. Or one could carry out an overall redistribution of remits. The worst thing that could happen is a duplication of remits, which is why there will have to be some redistributions: At Durban, the SC was given the remit to provide the COP draft guidance for the operating entities of the financial mechanism of the Convention "with a view to improving the consistency and practicality of such guidance", something which hitherto has been carried out by the SBI. Clearly, it makes no sense to have both bodies perform this task, and I believe the only reasonable, and – in this case legitimate – way forward is to remove the relevant item from the SBI agenda. The best way, for example, "to improve the coherence, effectiveness and efficiency of the operating entities of the financial mechanism"⁵ is to transfer all support for the COP with respect to climate finance to the SC.

IV. Work Plan: Priorities

Given this, there are three priority areas that the SC should focus on in its workplan:

- Assisting the COP by drafting the Guidance to the Operating Entities;
- Assisting the COP by managing the process of establishing the arrangement between the Green Climate Fund Board and the COP⁶;
- Assisting the COP by managing the work involved in the upcoming 5th review of the FM

There are of course other items that will need to be included in the envisaged 2-year workplan,⁷ but these three must without doubt be top priority.

References

[1] Farrukh Iqbal Khan and Benito Müller, *What Functions? What Form? Operationalizing the Standing Committee*, ecbi Policy Brief, August 2011. http://www.oxfordclimatepolicy.org/publications/documents/OperationalizingtheStanding.pdf

[2] Benito Müller, *UNFCCC – The Future of the Process: Remedial Action on Process Ownership and Political Guidance*, Climate Strategies Brief, February 2011. http://www.oxfordclimatepolicy.org/publications/documents/UNFCCC-TheFutureoftheProcess.pdf

⁴ See the discussion of the current practice of the Review of the Financial Mechanism in Kahn and Müller 2011, Section 1.2.

⁵ The Sc is tasked with making recommendation in this respect.

⁶ For this, the Standing committee will have to get a mandate from the COP.

⁷ Agenda item 6 (a) "Preparation for the organization of the Forum" is, no doubt, of importance, but not of the urgency of these three top priority issues.