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<td>Context and Introduction:</td>
<td>This panel asks the question: <em>what forms of governance are promising to take up the challenge of addressing climate change at the scale and speed needed?</em> In my original abstract, I intended to focus on one of my two current research projects which explores small-scale initiatives and projects in a comparative UK/Australia context, initiatives that are located in a hybrid space between social activism and social enterprise. However, while this project will, I believe, produce a fascinating and potentially provocative answers to the panel question in a broad sense, the more focused question of the <em>forms of governance</em> that will facilitate such initiatives is not something I can even tentatively answer as yet, and will have to await detailed analysis of this four-year project. For this reason, I am going to focus instead on a second project currently underway that fits the focus of this panel much more comfortably, particularly its first sub-question: What new forms of climate change governance have arisen over the last decades, and how do these differ from traditional approaches? The ‘new forms’ I will explore here are in essence bottom-up approaches that seek to avoid the risks of the stalled global treaty negotiations, while potentially still building a new more inclusive North-South basis for them if a post-Kyoto deal does eventually emerge. I cannot yet say whether these bottom-up forms of governance are likely to be better or worse in outcome terms than traditional Kyoto-style approaches, though our project’s focus on BASIC (large emerging economies, particularly South Africa and India) is one which at least promises a more inclusive global response than Kyoto’s historic focus primarily on Annex I countries.</td>
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ARE YOU BEING MRV’D? SEEING LIKE A PLANET AND THE REGULATORY CHALLENGES OF GOVERNING CLIMATE CHANGE POLICY IN EMERGING ECONOMIES

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Paper presented at Annual Meeting of Law and Society Association
2-5 June 2014, Boston, USA
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Context and Introduction

This panel asks the question: what forms of governance are promising to take up the challenge of addressing climate change at the scale and speed needed? In my original abstract, I intended to focus on one of my two current research projects which explores small-scale initiatives and projects in a comparative UK/Australia context, initiatives that are located in a hybrid space between social activism and social enterprise. However, while this project will, I believe, produce a fascinating and potentially provocative answers to the panel question in a broad sense, the more focused question of the forms of governance that will facilitate such initiatives is not something I can even tentatively answer as yet, and will have to await detailed analysis of this four-year project. For this reason, I am going to focus instead on a second project currently underway that fits the focus of this panel much more comfortably, particularly its first sub-question: What new forms of climate change governance have arisen over the last decades, and how do these differ from traditional approaches? The ‘new forms’ I will explore here are in essence bottom-up approaches that seek to avoid the risks of the stalled global treaty negotiations, while potentially still building a new more inclusive North-South basis for them if a post-Kyoto deal does eventually emerge. I cannot yet say whether these bottom-up forms of governance are likely to be better or worse in outcome terms than traditional Kyoto-style approaches, though our project’s focus on BASIC (large emerging economies, particularly South Africa and India) is one which at least promises a more inclusive global response than Kyoto’s historic focus primarily on Annex I countries. I can also say, I think, that any capacity to respond via these emerging bottom-up governance structures at the speed and scale necessary is likely to be considerably hampered by the extent to which these bottom-up forms (do not) fit in existing institutional settings (another sub-question of the panel), particularly settings not currently focused on the implications of climate change. I’ll conclude my paper by returning briefly to the other project, primarily simply to mark just how different a focus on developments ‘beyond the green wrapper’ that mix activism and enterprise would look – both in terms of promise and in terms of risk.

Overview

A regulatory architecture for climate change driven by a clear global agreement on collective action and assignment of responsibilities seems increasingly out of reach (if ever it was truly feasible). In its place, a patchwork of climate governance is emerging, that rests on a mix of nudges from above and political mobilization and innovative action from below. These oppositional constructions of “top-down” targets enforced by compliance and “bottom-up” pledges subject to review, have dominated recent debates over climate governance. Following the Durban climate negotiations, it now seems likely that a bottom-up construction will prevail for the next 5-8 years, and a new round of negotiation will start to determine the contours of a post-2020 climate regime.

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2 Sterk, W., C. Arens, et al. (2011). On the Road Again: Progressive Countries Score a Realpolitik Victory in Durban While the Real Climate Continues to Heat Up. Wuppertal, Wuppertal Institute for Climate,
This outcome carries significance for the interaction between global and national regulatory regimes. A bottom-up construction leaves open the forms of national obligations, and significantly includes the use of “nationally appropriate mitigation actions,” (NAMAs) individual actions determined by a country to be nationally appropriate. This approach promises greater buy-in for domestic action, but also complicates both the processes through which these actions are recognized by the global regime, as well as the process through which they are reviewed. In short, the direction in which global climate governance is evolving increases greatly the complexity of interaction between global and national levels.

One dimension of national appropriateness that is particularly likely to condition the actions countries take is the extent to which they contribute to inclusive growth. Indeed, the very genesis of NAMAs was an effort to accommodate the argument of many developing and industrializing countries that an over-attention to climate mitigation to the exclusion of development would disadvantage the poor in those countries. While the global debate is focused on whether fairness or equity is adequately internalized in the definition of commitments or actions across countries, a second level of concern is whether national governments actually act on preserving the interests of the poorest while formulating climate policy, or whether these concerns remain at the level of a global debating point. To avoid the “problem of disregard” requires institutionalizing mechanisms that allow countries to distinguish between policies that promote climate mitigation and inclusion, and those that do only one or other, are not straightforward. The challenge is further heightened by the fact that to draw these distinctions will require careful coordination between line ministries and new entities established to oversee climate policies.

The larger project from which this paper draws is carrying out detailed empirical study of climate policies and politics in India and South Africa, with some desk research on other major emerging economies to provide a broader comparative context. Empirically, we are concentrating on:

- **At national level**, understanding mechanisms of coordination between line ministries and new entities or processes established to oversee climate policies within each case study, with relevant comparisons of any new entities or processes established at sub-national level
- **At cross-national level**, comparative understanding of the institutional dimensions of the new entities or processes established to oversee climate policies
- **At transnational level**, understanding the emerging shape and content of systems of monitoring, reporting and verification (MRV systems) of progress on carbon reduction goals that are being established at both national and international levels
- **In terms of policy substance**, exploring the links between MRV systems and policymaking processes that take account of the tensions between carbon reduction, Environment, Energy; Dubash, N. K. (2012). "Looking Beyond Durban: Where to from Here?" Economic and Political Weekly XLVII(3): 13-17.


5 In India, for example, a concern has been expressed that Indian policymakers are "hiding behind the poor." Chakravarty, S. and M. Ramana (2012). The Hiding Behind the Poor Debate: A Synthetic Overview. Handbook of Climate Change and India: Development, Politics and Governance. N. K. Dubash. New Delhi and London, Oxford University Press and Earthscan.
development and inclusion. We particularly focus on the conceptual notion of the ‘co-benefits’ of climate policies.

To capture this complexity, emergent literature uses terms such as ‘polycentric governance of climate change,’ 6 and multilevel governance, 7 both literatures that are good at capturing the complex array of relevant empirical dimensions of the problem. This paper, however, focuses on the analytic benefits that regulatory literature can provide when applied to these issues. Regulatory literature is arguably often more immediately attuned to instrumental fixes and prescriptive approaches to institutional design than literature on polycentric or multi-level governance. The paper will explore three regulatory challenges of the ‘bottom-up’ approach: first, the use of technical independent expertise; second, tensions between national sovereignty and regulatory bite; and third, the challenge of designing MRV systems that are sensitive to equity and development issues as well as measuring carbon-reduction. It is to these MRV systems, twisted by my paper’s title into an active verb echoing their

**Monitoring, Reporting and Verification**

The 2007 Bali Action Plan (‘BAP’) was key in entrenching MRV as a crucial element of any new agreement dealing with climate change mitigation actions. 8 That is, the BAP emphasised the fact that national climate change policy, whether that of Annex 1 or non-Annex 1 countries, should always be subject to international measurement, reporting and verification. 9 Under the BAP, the following actions were specified as needing to be subject to MRV:

- Mitigation commitments/ actions by Annex 1 countries
- Mitigation actions by non-Annex 1 countries
- Financial support provided to non-Annex 1 countries by Annex 1 countries. 10

MRV can encompass a range of different activities:

Countries engage in MRV whenever they measure emissions, estimate the impact of mitigation actions, publish emissions inventories, issue reports on their climate change mitigation efforts, or attempt to verify the accuracy of data on emissions or policy performance. 11

However, the BAP provided no clear definition of MRV and many questions about its nature remain: firstly, to what actions, specifically, will MRV apply? It is not clear whether MRV refers ‘to technology, finance and capacity building to be provided by developed countries, to all NAMAs in general, to only NAMAs for which there is support, or to both NAMAs and support.’ 12 It is clear that the answer to this question will only be resolved when a universal definition of NAMA is agreed upon.

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9 Ibid.
10 Ibid.
12 Harro van Asselt, ‘Scientific Assessment and Policy Analysis: Nationally Appropriate Mitigation Actions (NAMAs) in Developing Countries: challenges and opportunities,’ Institute of Environmental Studies (IVM), Vrije Universiteit Amsterdam, 7.
MRV will play a critical role in a transparent climate change regime. Clearly, if non-Annex I countries are to come close to fulfilling their commitments to greenhouse gas (GHG) emissions reduction made under the Copenhagen Accord, there needs to be a way to objectively measure and evaluate their efforts to do so.

The advantages of MRV are manifold. Obviously, ‘[i]t can provide an important means of tracking parties’ progress individually and collectively towards the Convention’s ultimate objective.’ Additionally, ‘the very process of measurement can facilitate parties’ actions by establishing baselines and helping to identify mitigation potentials.’ That is, MRV can actually enable and encourage the implementation of NAMAs in the first place.

Reporting can also enable international recognition of that particular action, can enhance actions through the provision of expert advice relating to improvements, and can lend legitimacy to a government that is actively taking part in an MRV process, thereby strengthening confidence in the national mitigation policies themselves. In this way, a non-Annex I country can actually attract international finance by participating in robust MRV processes and thereby showcasing its mitigation actions. In contrast, weak MRV systems ‘can undermine policy objectives, lead to waste of public resources, and diminish public confidence.’

Despite the clear advantages of MRV, it is still a controversial issue, because of concerns that international oversight will impinge on national sovereignty. For this reason, the international community has tried to emphasise the non-partisan nature of MRV; the Kyoto Protocol specifically framed the review of national MRV submissions as a ‘technical assessment of implementation’ rather than ‘a political judgment of performance.’

MRV of climate issues for the post-Kyoto phase is still being negotiated: this provides a window of opportunity for design of national MRV institutions to shape the international regime rather than vice versa

MRV, then, turns out to be in very important ways, significantly about data, quantitative methodologies and measuring. However the verification aspect in particular tends to raise classic regulatory questions, as it frequently institutionalises a form of third-party review that calls to mind the logic of courts (Shapiro 1988), albeit animated by a much more statistical and Foucauldian rationality. And of course, even these statistical and data processes are carried out by institutions or personnel embedded in organisations, and the inter-relationships of such institutions and organisations often raises regulatory issues. We turn, therefore, to the three regulatory challenges outlined at the start of the paper, beginning with the use of technical independent expertise.

**Use of technical independent expertise**

At the domestic level, we are most interested in how will MRV be conducted, who will conduct MRV, and finally, when should MRV occur? We look at this beginning with a focus on new entities and processes at the national level. The key point here is that many emerging economies have established new entities to oversee economy-wide climate policies. The precise mechanisms of

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13 Ibid, 1.
14 Ibid, emphasis added.
15 Ibid.
17 Falconer et al, above n 4, 1.
18 Breidenich & Bodansky, above n 1, 11.
coordination between these entities and line ministries is not easily perceived from a paper exercise, but some observations can be made.

Looking at SA, India, Brazil and Thailand (see diagrams below), all four have established essentially coordinating committees, though Thailand calls its entity a 'National Board' and India a 'National Mission'. These entities are populated by civil service personnel from key ministries, most often science, environment and/or energy. None of the four implement autonomous insulated agencies.

**Fig. 1 Climate change institutional framework Thailand.**

![Diagram of Thailand's institutional framework](image1)

**Fig. 2 Climate change institutional framework South Africa.**

![Diagram of South Africa's institutional framework](image2)
Within these commonalities, there is of course variation. For example, South Africa and Thailand are at opposite poles of a spectrum in terms of the degree to which the structures appear to be shaped by domestic or international framings of climate change issues. On the domestic end of the spectrum, South Africa has an Inter-governmental Coordinating Committee that liaises substantially with the Dept for Environment, but does not link effectively in practice with the Dept of Energy, due to a lack of access to information from the country’s national electricity monopoly Eskom. The detailed work on MRV is effectively outsourced, either to research centres in universities, weak ministries (Environment) or stronger ministries (Energy) that then hoard information. A new entity within the President's Office may soon coordinate MRV but has not yet been established.

On the other end of the spectrum, Thailand's structure mirrors much more closely the international rather than domestic perspective on climate change, creating four sub-committees to keep track of...
'mitigation' and 'adaptation', as well as technical capacity-building and diplomatic negotiations. This and even establishing, in 2007, an autonomous body charged with implementing carbon management policies (primarily in terms of information, measurement but also approval (eg of CDM projects) - the Greenhouse Gas Management Office. Established in 2007, senior civil servants serve four year terms, drawn from Transport, Environment, Energy and ONEP and working with five additional appointees from business, energy, forestry, science/technology and environment/conservation. Arguably, this institution is the closest to an independent regulatory agency in the landscape of new entities and processes emerging to oversee climate change policy.

India has created an interesting entity that is in some ways sui generis. Entitled the National Mission on Strategic Knowledge for Climate Change (NMSKCC), it grew out of the National Action Plan for Climate Change formed under a high level government council headed by the Prime Minister. The National Action Plan proposes actions in a 'mission' mode with tangible targets. The NMSKCC structure arguably reflects a conception of deliberative dialogue and political bargaining that mixes some (political) oversight with a dual level of expertise-led reframing of policy issues – both across sector siloes (focused on themes, impacts and technologies) and within them (via mirror sites within specific departments). As the diagram below shows, NMSKCC envisages an organisational matrix structure based on nodal centres coordinated through appropriate leadership models to implement the Mission elements and activities. A Programme Office with mirror sites in the Ministry of Science and Technology, the Ministry of Environment and Forests and the Ministry of Earth Sciences would be effectively coordinating the implementation of mission activities:

Fig 5: Mission Document: National Mission on Strategic Knowledge for Climate Change 2010

Ian Bartle has recently argued that institutions organized as independent regulatory agencies will play only a very constrained role in the overall policy game of reducing the carbon intensity of
economies (Bartle 2011). This certainly seems to be reflected in the emerging empirical picture of the countries selected here, and one could go further and say that they occupy varying positions along a ‘spectrum between rules and deals’ – a spectrum which I argue with Navroz Dubash in a forthcoming book with OUP (Dubash and Morgan 2013) is at the heart of the rise of the regulatory state in emerging economies. So one could argue that South Africa has made a macro-deal at a domestic level (preserve policy autonomy for energy) within which it is forging detailed micro-rules for carbon-sensitivity; India has created a hybrid structure that melds both political-deliberative processes and the forging and application of expert rationalities, blending them in an effort to reframe (rather than regulate) a broad range of ‘deals’ currently made across the policymaking spectrum. Finally, Thailand seems to be aiming implement international rules in a top-down manner via new entities, using the more familiar form of rule-based regulatory institutions, including certification initiatives (on which more below).

**Tensions between national sovereignty and regulatory bite**

The building of new entities at national level does not, even on a ‘bottom-up’ approach, eliminate the relevance of international oversight. One of the most contentious aspects of this issue is the use of expert review groups to verify the carbon reductions allegedly achieved by monitored policies. This has been trialled before in the context of ‘supported NAMAs’ (ie mitigation policies in developing countries financed by developed countries). From 1999 to 2007 progress on these (summed up in the national communications provided to under the Kyoto Protocol) was assisted by a Consultative Group of Experts (CGE) . The CGE aimed at improving the preparation of national communications which was able to provide informal feedback to non-Annex 1 parties. It was ‘a standing body of 24 experts, nominated by regional groups, with expertise covering all aspects of national communications.’ Although its politically contentious nature meant it has not met since 2007, its reinstatement has been recently urged by Breidenich & Bodansky, who suggest it acquires more members with GHG mitigation expertise who will then review NAMA reports on an ad hoc basis.

The sensitivity of BASIC and other emerging economies to being reviewed by third parties potentially dominated by non-national interests also plays out in relation to unsupported NAMAs (ie actions that are funded at a domestic level or through bilateral aid). The Copenhagen Accord established that unilateral or domestic NAMAs of non-Annex 1 countries would be subject to ‘International Consultation and Analysis’ (ICA). ICA reports are generally submitted in between national communications, which are submitted every four years. ICA was consciously a less stringent standard of review than International Review and Analysis (IRA) that would apply to Annex 1 countries. At the Cancun conference, it was decided that ICA would involve non-intrusive, no-penalty review of biennial reports, through a ‘facilitative sharing of views,’ and would result in a summary report.

These shades of varying stringency, so sensitive in the political negotiations, show that even before the deployment of expertise is crystallised in enduring institutions it remains highly politically

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21 Ibid, 24.
22 Para 64, UNFCCC 2010.
contentious – so much so that it is deeply unlikely any sort of international quasi-regulatory agency would ever develop to administer MRV at the international level. Yet when discussions of ‘credited NAMAs’ are had (ie policy measures by non-Annex I countries that will participate in transnational emissions trading systems), we can see that this ‘limit case’ immediately imports a more top-down command and control vision of a regulatory context. As Okubo et al 2011 argue, for a NAMA to be ‘credibly creditable’, it will be essential to have access to centralized, transparent data collection systems, an effective sector organization (e.g. no or a negligible number of informal actors) and feasibility of differentiating impacts of policies. In effect, the tradability of policy packages on a global emissions markets requires policies to be ‘bankable’ in carbon reduction terms, potentially attracting many of the conundrums and dilemmas that have accompanied financial regulation over the past fifteen to twenty years. Added to this is the fact that in an emissions trading context, expert review groups can ‘adjust’ methodologies used by national entities, and thus have considerable power – not unlike that of akin to international arbitration panels perhaps. The legitimacy challenges made to such panels suggest similar political dynamics could arise, making it unsurprising that recent literature has proposed certification as one possible response.

Certification systems have recently been suggested as a way forward in the area of MRV (Niederburger and Kimble 2011) to dilute the political contentiousness of ‘foreign’ expertise being deployed while still preserving the facilitative potential of MRV. They argue that a certification scheme for national climate management systems, which would require countries to establish a climate policy, set national goals and timetables, secure resources to implement related national actions and track their progress over time, would support rather than police developing country climate policy progress. What does recent literature tell us about the regulatory efficacy of private global certification schemes in other areas, particularly forestry, an area which continues to be central to carbon reduction initiatives?

Two important points emerge from this literature. First, certification is a popular middle road in political terms. As a mechanism of social regulation, it has a dual appeal both to companies who prefer private self-regulation and and to social movements seeking to building new political institutions at the transnational level (Bartley 2011). In the proposal to implement certification as a means of implementing MRV, both are present – certification would be a voluntary choice for states, and as such would preserve national sovereignty of developing countries but the third party-review involved would reassure all stakeholders that “Parties are indeed making continual progress towards achieving their low-carbon performance objectives” (Niederburger and Kimble 2011: 50). With no detail as yet on the precise actors that would carry out audits against the standard or the substantive content of the standard, little more could be said as this point, but the political fault-lines are familiar. Standards for private industry certification point the way – several options have been developed here that, although all ‘private and voluntary’ at one level, vary in terms of greater influence of states (ISO 14-064), private corporate actors (Carbon Disclosure Project) and civil society (the GHG

24 Anne Arquit Niederberger & Melinda Kimble “MRV under the UN climate regime: paper tiger or catalyst for continual improvement?” Greenhouse Gas Measurement and Management (2011) vol. 1 pp 47-54
Protocol developed by the World Resources Institute in dialogue with the World Business Council on Sustainable Development.). For certifying policy processes (as opposed to industry emissions), the World Resources Institute, keeping a close dialogue with civil society, is already developing a standard against which to evaluate policy measures, and ISO is doing early work on a standard articulating the requirements of a management system. Regulatory competition between these various approaches is likely to dominate the field of climate policy integration for some considerable time to come, whether or not a ‘top-down’ deal emerges by 2015.

**Equity-sensitive ways of MRV’ing carbon reduction**

The final regulatory challenge for a ‘bottom-up’ approach to the integration of climate change considerations on an economy-wide basis (and perhaps the most intractable) is the question of doing this in an equity-sensitive fashion. Two possible routes emerge here: taking account of ‘co-benefits’, and implementing ‘equity reference frameworks’.

“Co-benefits” as defined in the Indian National Action Plan on Climate Change are measures that “promote development objectives while also yielding co-benefits for addressing climate change effectively” (Government of India 2008, section2). In a working paper on how to operationalise this notion (Dubash et al 2012)26, a deliberative and consciously semi-qualitative approach is taken that proceeds in two-steps, as detailed below. The second of these steps is clearly embedded in regulatory design, creating a process that seeks to marry quantitative and qualitative dimensions, as well as technical and deliberative perspectives. This mix is quoted in some detail below to give a sense of the texture of a space ‘between rules and deals’:

The first step is a co-benefits analysis that assesses whether and to what extent a given policy objective, if achieved, delivers on co-benefits across multiple outcomes. For example, we seek to establish if a particular effort at policy-making is likely to simultaneously enhance economic growth, inclusion local environmental gains and GHG mitigation, or whether there are trade-offs across these, and the extent of trade-offs. The outcome of this analysis can provide the basis for screening out deeply problematic policy objectives whose other impacts outweigh any GHG mitigation benefits they may have, and screening in those that simultaneously achieve multiple objectives. This step is designed to be relatively straightforward to implement, and looks only at the desirability of a policy objective, setting aside considerations of cost and implementability.

The second part of the analysis introduces pragmatic considerations toward implementation -- an implementation analysis. This step requires first detailing policy instruments (regulation, taxes, creation of markets, investment promotion incentives, labelling etc.) with which to achieve the policy objectives that are selected using the co-benefits analysis. The implementation analysis looks at transactional and financial costs of implementation. … Based on the analysis, the user assigns a qualitative score on a scale of -2 to +2, with 0 implying neutral impact on the outcome and +/- 1 weak positive or negative impact and +/- 2 strong positive or negative impact. It should be noted that the value of this score lies not in the absolute number but in the relative impact on the outcome (vis-à-vis other outcomes) sought on a -2 to +2 scale…. An essential element of the methodology is that all qualitative arguments and scoring should be subjected to a process of consultation and feedback to identify weaknesses in the argument and/or disagreements over the scores. This process of discussion and deliberation should involve a wide range of stakeholders, including technical experts,

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policymakers, industry, users and civil society and local communities, in order to capture all perspectives.

An equity reference framework’ is a mechanism for benchmarking against principle-based criteria that operationalise notions of fairness. It aims to deploy a ‘universal application of egalitarian principle to guide a distributive view that seeks to address historical, current, and potential inequities in respect of contribution to emissions, and as such is corrective in character, and distributive in approach. In respect of the metric/non-metric chasm, a stepwise consideration is proposed, where there is an ex ante assessment of fair effort in a non-binding framework, with binding commitments proposed by parties and therefore catering to national circumstances” (Ngwadla 2013). By explicitly integrating the question of fairness into institutional design for climate policy, it requires an assessment of the moral dimension of climate change policy (though whether with reference to need or responsibility, charity or culpability, remains open-ended and contentious). At the same time, by employing a process-based framework to operationalise these considerations, it becomes feasible to open up a space ‘between rules and deals’ (Dubash and Morgan 2013) which could act as a regulatory infrastructure for such considerations. Lessons from process-oriented regulation in other areas could be applied here.

In a recent overview of literature in this area, however, (Gilad 2011), two important points emerge. First, the challenges of actually securing change in practices on the ground are noted. Management systems are more likely to change than actual street-level practices, even when this form of regulation is well-adapted to the contexts it emerges in. Second, in the context of explicitly distributive issues, the need to acknowledge the limits of ‘neutral spaces’ or technical expertise intensifies. If distributive issues are not addressed directly through directly redistributive financial initiatives, they tend to reappear in the political dynamics of a regulatory regime (Haber 2010). Moreover, building on insights from the literature on cities and climate change, it is arguable that co-benefits and equity considerations are best addressed at ‘lower’ levels of governance, and that city-based climate policies are most easily adapted to these considerations. Carbon-exclusive MRV systems at international level almost by definition will struggle to integrate co-benefits, and arguably successful city-level policies are usually framed as primarily addressing non-climate benefits such as growth, inclusion or local environmental quality in terms other than emissions reduction.

Conclusion

If cities and small-scale social enterprises really have the greatest potential, we are back to the other project that I was originally going to present on. And I want to close by considering: IS there any relationship between local ‘social actionists’ (one of my interviewee’s terms, trying to capture a sense of visceral production, of making something rather than refashioning information) and MRV specialists? They inhabit utterly different spaces. But ultimately both want to ambitiously restructure production, consumption and exchange, reinventing economic frameworks – and building new relationships is key to both. And what to me is fascinating is that arguably law is pretty marginal to both projects, at least in the traditional sovereign and dispute settlement sense. Yet law as governmentality (entwined deeply with finance) is absolutely central to ‘being MRV’d’. Moreover those MRV systems both facilitate and, paradoxically, substitute for relationships between strangers or fictitious entities. In contrast, in the sharing economy and collaborative consumption (the focus of

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the other research project), it is precisely the reanimation of *relationships* – even between strangers – that is engendering excitement.\(^{29}\)

A striking comment from a recent ‘outsider’ review of regulation and governance literature (Arup 2013) notes: “With the decline in traditional sources, for instance the vibrancy of left politics, the autonomy of national governments and the solidarity of local communities, it often seems that regulatory studies has been the focus of those who wish to civilise capitalism”. If MRV is emptied out of those three factors, it will arguably lose its capacity to continue to ‘civilise’ the carbon-rapaciousness of ‘business as usual’. On the other hand, if left politics can energise certification initiatives, if the deployment of expertise can be articulated within the purview of national government autonomy, and if the bottom-up approaches actually shift shared collective practices at the local level within communities of interest, whether territorial or policy-functional, then we may achieve the ‘speed and scale’ necessary. If not, then MRV and a bottom-up system may just become another fiendishly complex niche of carbon market governance for the ‘big end of town’.

\(^{29}\) Unless, as cynics might have it, it is simply that technology is facilitating and making visible the social (collaborative) underpinnings of competition, and that the technology is currently substituting for relationships – that this, moreover, will pass once risks emerge, and we may see the sharing economy being MRV’d in due course too and consequently slowing down.