

Presentation of the Revised UNFC and Discussion

**Prepared for the Sixth Session of the
Ad Hoc Group of Experts on
Harmonization of Fossil Energy
& Mineral Resources Terminology**

Geneva, 25-27th March 2009

Presented by Jim Ross

Revised Draft UNFC-2009

- Purpose of this session:

To present the changes to the revised draft UNFC following the period for public comment

To discuss the proposed changes

Revised Draft UNFC-2009

- Format changes:
 - Relocate the Explanatory Note to an Appendix, with UNFC-2009 as the primary document
 - Clarify in footnote that the Explanatory Note does not form part of the Classification
 - Improve clarity of Figure 1

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- Text changes to Title:
 - Add word “reserves” to title
 - Some in favour of referring to “reserves” in the UNFC, some against
 - Reserves a sub-set of resources
 - No definition of reserves at a generic level
 - Change UNFC-2008 to UNFC-2009

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- Text changes to Section I:
 - Add word “reserves” to paragraph 1
 - Change “in the subsoil” to “on or below the Earth’s surface” in paragraph 1

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- Text changes to Section II:
 - Change “level of certainty” to “level of confidence” in paragraph 3
 - To align better with wording of definitions of the G-axis Categories

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- Text changes to Figure 2:
 - Change “past production” to “extracted”
 - To establish consistency with wording used in text and Figure 3
 - Change footnote 4 to provide improved reasoning regarding usage of term “reserves”

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- Text changes to Figure 2:
 - Change footnote 7 to delete “technically” and change footnote 8 to delete “commercial circumstances change”
 - To provide a clearer distinction between:

Non-Commercial Projects – that are technically feasible, but are currently not commercially viable

Additional Quantities In Place – for which no technically feasible extraction project is currently defined

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- Text changes to Section III:
 - Change “recovered” to “extracted” in paragraph 7
 - To establish consistency with wording used in Figures 2 and 3
 - Add “reasonable” and “in the foreseeable future” in paragraph 11
 - To align better with wording of definitions of the E-axis Categories

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- Text changes to Figure 3:
 - Change “recovered” to “extracted”
 - To establish consistency with wording used in text and Figure 2
 - Remove sub-class “Development Pending (economic)”
 - Add footnote 10 to indicate that Development Pending Projects could satisfy the requirements for E1 (previously defined by separate sub-class)

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- Text changes to Annex I:
 - Change “explanatory notes” to “supporting explanations”
 - To avoid confusion with Explanatory Note in Appendix
 - Provide direct linkage to footnote for explanation of “economically viable”
 - Change “must” to “should” and add “usually” to explanation of G-axis definitions
 - Add further explanation regarding G4 uncertainty and risk

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- Other comments/suggestions (1 of 2):
 - Designate additional classes (e.g. 121) in Figure 1
 - Preferences for 3D vs. 2D representations
 - Exclude sub-categories vs. expand them (e.g. G4)
 - Define level of confidence for G-axis categories
 - Developed/undeveloped sub-division as used in petroleum

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- Other comments/suggestions (2 of 2):
 - Enhancing the classification of in-place resources
 - Subjective character of “economic and social conditions”
 - Distinction between commercial reporting and national inventory reporting
 - Importance of reference point