United Nations and Resource Classification – who, what and why

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Sustainable Mining and the UNFC- Challenges and Opportunities in India
New Delhi, India, 29-30 October 2013
• UN Economic Commission for Europe (UNECE)
• Why the United Nations is involved in resource classification
• Mandate - ECOSOC Decision 2004/233
• Expert Group on Resource Classification
• History/development of the UNFC
UNECE - 56 member States
Why the United Nations?

• **Sustainable development & Sustainable Energy for All**

• **UNECE provides a regional forum for Governments to develop practical instruments in the form of conventions, regulations, norms and standards**

• **Neutral platform, all stakeholders involved**

• **Open and transparent process**

• **Convening power – no comparable forum exists**

• **UNFC is a voluntary system, not mandated by the UN**

• **UNFC is a global project (ECOSOC Decision 2004/233)**
ECOSOC Decision 2004/233

“At its 42nd plenary meeting, on 16 July 2004, the Economic and Social Council, recalling its decision 1997/226 of 18 July 1997, welcomed the endorsement by the Economic Commission for Europe of the United Nations Framework Classification for Fossil Energy and Mineral Resources and decides to invite the Member States of the United Nations, international organizations and regional commissions to consider taking appropriate measures for ensuring worldwide application of the Framework Classification. The Council notes that this new classification for fossil energy and mineral resources, which now includes energy commodities (for example, natural gas, oil and uranium), is an extension of the earlier framework developed for solid fuels and mineral commodities, on which the Council took similar action in 1997 upon endorsement and recommendation by the Economic Commission for Europe.”
Where does the Expert Group on Resource Classification fit in the UN system

United Nations

- General Assembly, Security Council, International Court of Justice, Secretariat
- Intergovernmental body
- Intergovernmental body
- Advisory body

Economic and Social Council (ECOSOC)

- UN Regional Commissions
- UN Economic Commission for Europe (UNECE)
- Committee on Sustainable Energy
- Expert Group on Resource Classification (EGRC)
Expert Group on Resource Classification

- UNFC (development & governance)
- Inclusive ... open to all stakeholders worldwide
- Solid minerals, petroleum and uranium
- New mandate to look at renewables
- Close collaboration with CRIRSCO (solid minerals) and SPE (oil & gas) - alignment and specifications
- Close cooperation with IAEA on nuclear fuel resources
- Five-year mandate, reports to Committee on Sustainable Energy - Annual meeting in Geneva (Fifth session, 29 April – 2 May 2014)
- Works on consensus
UNFC Stakeholders

Governments

Industry

Financial Community

Creators of energy & mineral studies

management of resources

to provide data and information necessary to deploy technology, management and finance in order to serve their host countries, shareholders and stakeholders

to provide information necessary to allocate capital appropriately so reducing costs

to facilitate formulation of consistent and far-sighted policies

UNFC
The Expert Group on Resource Classification provides the only forum anywhere in the world where global experts in resource classification covering solid minerals and petroleum, and now also renewables, meet and share information and ideas.”
Governments (UNECE & non-UNECE)

Individual Experts

International organizations

Financial Sector Incl. standard setters

Industry

Professional Societies & Associations

Global constituency representing all users of resource information
Bureau of the Expert Group

► Bureau works on behalf of EGRC between meetings
► Very active
► Reports to Expert Group annually
► Unprecedented level of co-operation facilitated by UNECE, providing for convergence of PRMS (petroleum) and CRIRSCO family of codes (minerals) under a UNFC umbrella
► Chair, Chair Ex-Officio, Vice First Chair, Vice Chairs (16)
What is UNFC?

• United Nations Framework Classification for Fossil Energy and Mineral Reserves and Resources (UNFC)

• Global, generic, principles-based “umbrella” system
  – Solid minerals and fluids
  – Numerical coding system
  – Facilitates global communications

• Compatible, consistent and collaborative (CRIRSCO Template for minerals & PRMS for oil & gas)

• Other systems and primary fuels could align with UNFC in the future
UNFC ... three criteria

Economic and social viability (E axis)

Field project status and feasibility (F axis)

Geological knowledge (G axis)
UNFC ... three criteria
Why is UNFC needed?

• Need for common global language for energy and mineral resource estimates
  – What are “proved reserves”?
  – What are “resources”?

• Increasing overlap between mining and oil & gas industries
  – Major issue with respect to “unconventional” resources
  – Which system applies to mined petroleum solids?

• Increasing need to be able to compare renewable energy resources with non-renewable resources
**UNFC History**

- **1992**: Started development of system
- **1997**: UNFC for solid fuels and mineral commodities published
- **2004**: UNFC extended to cover oil, natural gas and uranium
2007 • Mapped UNFC-2004 to CRIRSCO Template and PRMS

2007 • Proposed simplification and minor changes to ensure harmonization

2009 • UNFC approved end-2009

2010 • UNFC-2009 published

2013 • Specifications approved by EGRC April 2013
Expert Group Priorities

- Specifications - Rules of application
- Case studies and testing
- Technical Advisory Group – Governance
- Communications Sub-Committee - Education and outreach
- Nuclear Fuels Task Force - Bridging document
- Renewable Energy Task Force - Specifications
- Task Force on UNFC and Recipient Reservoirs - Storage of CO2
Sustainable and Efficient Development

• Securing affordable and sustainable energy requires a common standard for:
  – Developing long sighted policies for the global markets
  – Government resources management for security and efficiency
  – Industry processes to develop new technologies and efficient project management
  – Cost effective allocation of financial resources
For more information on UNFC

- www.unece.org/energy/se/reserves.html
- E-mail: reserves.energy@unece.org charlotte.griffiths@unece.org
- Fifth EGRC Meeting, Geneva, 29 April – 2 May 2014

UNFC available in Arabic, Bulgarian, Chinese, English, French, Hungarian, Russian and Spanish