Mineral resources management on the basis of UNFC (National classification of mineral reserves and resources of Ukraine)

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State Commission of Ukraine on Mineral Resources
In September 2015, within the framework of the 70th session of the UN General Assembly, Ukraine joined the global process of sustainable development.

Every global goal was considered in terms of the specifics of national development. National SDGs provide the basis for the integration of efforts with the aim to ensure economic growth, social justice and rational environmental management.
Rational, integrated use of mineral resources to fulfil a demand for mineral raw materials and other demands for social production, protection of subsoil, ensuring the safety of people, property and the environment while using mineral resources, as well as the protection of the rights and legitimate interests of enterprises, institutions, organizations and citizens.

The Code of Ukraine on Subsoil

Government budget

The results of geological survey
- regional
- prospecting
- exploration

Economic-geological evaluation
- EGE-3
- EGE-2
- EGE-1

State expertise of materials of geological, technical and economic study of the subsoil area
- approval
- approbation

Subsoil Fund of Ukraine
- accounting
- determination of conditions and prospects of development
- rational use
- protection of mineral raw materials base
ECONOMIC-GEOLOGICAL EVALUATION

Economic-geological evaluation

- EGE-3
- EGE-2
- EGE-1

Classification of mineral reserves and resources of the State Subsoil Fund

Geological study results

Feasibility study results

Normative legal base that is valid at the moment of evaluation

Instructions, Methodological guidelines, etc.

Economic-geological evaluation of deposits (subsoil areas)

Scoping Study

Pre-feasibility Study

Feasibility Study
Objective evaluation of mineral raw materials base on the basis of single scientific and methodological criteria

State expertise and evaluation of mineral reserves is conducted by the State Commission of Ukraine on Mineral Resources according to the following principles:

- Scientific validity, independence, objectivity and complexity.
- Coordination of ecological, economic and social interests of society.
- Coordination of long-term state prospects for preservation of mineral resources considering the interests of subsoil users.
- Requirements of legislative acts.
STATE SUBSOIL FUND OF UKRAINE
(explored deposits, the industrial importance of which has been proved)
PROBLEMS OF SUSTAINABLE DEVELOPMENT OF THE REGIONS OF UKRAINE DUE TO THE USE OF MINERAL RESOURCES

- Uneven distribution of mineral resources and, as a result, tax deductions for territorial communities from their use
- Lack of resources required for the industrial region and their abundance in other regions
- Uneven ecological load
- Existence of single-resource oriented regions
- Extensive use of mineral resources
- Pollution of the atmosphere in the industrial cities, soils and groundwater
NEW ACTUAL DIRECTIONS OF THE UNFC IMPLEMENTATION IN UKRAINE

MAP OF TECHNOGENIC OBJECTS – PRODUCTS OF MINING INDUSTRY

HYDROENERGETIC POTENTIAL OF SMALL RIVERS OF UKRAINE

BIOENERGETICS, WIND ENERGETICS, SOLAR ENERGETICS, HYDROENERGETICS, GEOTHERMAL ENERGETICS

http://saee.gov.ua/uk/ae/hydroenergy
Classification of mineral reserves and resources of the State Subsoil Fund establishes unified for the State Fund of Mineral Resources of Ukraine principles of geological survey, estimation, economic-geological evaluation and state accounting of mineral reserves.
CURRENT CONTENT AND REVISION OF THE CLASSIFICATION ARE A RESULT OF A CONTINUOUS EVOLUTION OF VARIOUS CLASSIFICATION SYSTEMS

The classification of Ukraine was approved by the Regulation of the Government of Ukraine dated 05.05.1997 № 432.

Amendments according to the Regulations of the Government of Ukraine:
- dated 05.07.2004 № 850
- dated 26.03.2008 № 264

Amendments according to the Regulation of the Government of Ukraine: № 764 dated 19.09.2018

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CABINET OF MINISTERS OF UKRAINE
REGULATION
dated September 19, 2018 No. 764

On Amendments to Item 8 of the Classification of Mineral Reserves and Resources of the State Subsoil Fund

The Cabinet of Ministers of Ukraine rules:
To introduce the amendments to item 8 of the Classification of Mineral Reserves and Resources of the State Subsoil Fund approved by the regulation of the Cabinet of Ministers of Ukraine dated May 5, 1997 No.432 (Ofitsinyi Visnyk Ukrainy/Official Bulletin of Ukraine, 1997, number 19, p. 104).

Prime-Minister of Ukraine
V. Groisman

Ind. 75

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Sales
Production
Socio-economic viability
Non-sales Production
Project feasibility
Geological knowledge

E1
E2
E3
E4
F1
F2
F3
G1
G2
G3
G4
Since 1997 the Mineral Reserves and Resources Classification has been applied in Ukraine at a state level.

The Classification is applied to all minerals (coal, oil, gas, non-metallic raw materials, solid minerals, groundwater).

To apply the national Mineral Reserves and Resources Classification of the State Subsoil Fund of Ukraine to the deposits with different types of minerals, the relevant instructions, methodological guidelines and recommendations have been issued.

Development, support and promotion of the Resource management system based on the Framework Classification for Resources.

Development of corresponding Instructions, Methodological guidelines and recommendations for evaluation and classification of renewable energy sources.

Development of corresponding Instructions, Methodological guidelines and recommendations for evaluation and classification of other resources according to the Sustainable Development Goals.
Mineral Reserves and Resources Classification of the State Subsoil Fund includes classes that are fully aligned with UNFC-2009.

The Mineral Reserves and Resources Classification of the State Subsoil Fund is a main normative document regulating economic-geological evaluation of mineral deposits, establishes general requirements and approaches to its realization.

The results of economic-geological evaluation of mineral reserves and resources of subsoil plots are also used for determination of the market value of a subsoil body provided for use and subsoil user tax liabilities.

Specific methods, indicators for evaluation of different types of mineral deposits are provided in the relevant documents of the State Commission of Ukraine on Mineral Resources (SCMR), in particular in the Regulation on the Procedure for Development and Justification of Conditions for Mineral Raw Materials for Solid Mineral Estimation etc.

To calculate a level of economic efficiency of mineral deposit development used in the Classification, the SCMR has accepted a discounted cash flow concept recommended for evaluation of the investment efficiency by UNIDO – United Nations Industrial Development Organization.

The Mineral Reserves and Resources Classification of the State Subsoil Fund has been used for about 4,000 deposits with different mineral types registered by the state balance.

When using subsoil, organizational and technological similarity of prospecting and mining operations enables mapping of mineral reserves and resources classes identified by three-digit numerical codes used in UNFC-2009 and classification of Ukraine to the categories of mineral reserves evaluated according to the CRIRSCO Template and SPE (PRMS).
THANK YOU FOR YOUR ATTENTION!

State Commission of Ukraine on Mineral Resources

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