

**To:** Members of the Bureau of the UNECE Expert Group on Resource Classification

**From:** David MacDonald and Charlotte Griffiths

**Conference Calls with the Bureau of the  
Expert Group on Resource Classification (EGRC)  
3pm 24 March 2014 and 9am 25 March 2014 (GMT)  
FINAL MINUTES**

**Present on 3pm Call:**

1. David MacDonald (Chair)
2. Karin Ask (petroleum sector)
3. Paul Bankes *representing* Roger Dixon (CRIRSCO)
4. David Elliott (financial reporting sector)
5. Kjell Reidar Knudsen (Norwegian Petroleum Directorate)
6. Michael Lynch-Bell (Chair Ex-officio)
7. Tim Smith (SPEE)
8. Hari Tulsidas (IAEA)
9. Brad van Gosen (USGS)
10. Charlotte Griffiths (UNECE)

**Present on 9am Call:**

1. David MacDonald (Chair, petroleum sector)
2. Karin Ask (petroleum sector)
3. Leesa Carson (Geoscience Australia)
4. Roger Dixon (CRIRSCO)
5. Jim Ross (petroleum sector)
6. Charlotte Griffiths (UNECE)

**Apologies:**

1. Fatih Birol (IEA)
2. Dan Diluzio (SPE)
3. Mucella Ersoy (Turkish Coal Enterprises)
4. Adichat Surinkum (CCOP)

**Draft Agenda**

1. Approval of draft agenda
2. Draft minutes of 3 March 2014 Bureau Calls
3. Bureau membership and nominations
4. TAG update
5. EGRC Fifth Session Update
6. Update on Application of UNFC-2009 to Renewable Energy Resources
7. Update on Application of UNFC-2009 to Injection Projects
8. Education and outreach
9. Any other business
10. Timing of next meeting

**Documentation:**

- (i) Minutes of TAG call of 27 February 2014
- (ii) Minutes of Renewables Task Force call of 7 March 2014
- (iii) List of Conferences Promoting UNFC in 2014 and 2015 (as at 20 March 2014)
- (iv) Call-in numbers

**Item 1: Adoption of the Agenda**

Attachment: Draft agenda for Bureau Calls on 24-25 March

1. The agenda was adopted without amendment.

**Item 2: Draft Minutes of Bureau Calls of 3 March 2014**

Attachment: Draft Bureau Minutes of 3 March 2014 Calls

2. The draft minutes were approved without amendment.
3. It was agreed that the note related to financial reporting being developed by the financial reporting sector representative will be circulated to the Bureau for discussion at the next Bureau meeting.

**Item 3: Bureau Membership and Nominations**

Attachment: Summary table of Bureau nominations as at 24 March

(a) Membership changes:

4. The Chair advised that Igor Shpurov, General Director of GKZ of the Russian Federation, will replace Yuri Podturkin as First Vice Chair following his retirement. Mr. Shpurov has also confirmed his willingness to be nominated to the Bureau at the elections to be held at the fifth session although he will be unable to attend the meeting due to prior commitments. Grigoriy Malukhin, who is no longer with GKZ, has been replaced by Vera Bratkova as Mr. Shpurov's alternate. Members welcomed Mr. Shpurov to the Bureau. The Chair will endeavour to meet with Mr. Shpurov during his visit to Moscow in June for the World Petroleum Congress.

(b) Bureau nominations:

5. The Bureau is supportive of the Bureau membership of 21 seats proposed by the Chair on the last call. SPE supported that not all 21 seats would need to be filled. The Chair agreed that 21 seats should not be a target.

ECE member countries	5
Non-ECE member countries	3
CRIRSCO (as per 'formal' agreement)	1
SPE (as per MoU)	1
IAEA/nuclear fuel resources	1
Renewables	1
Financial reporting	2
International organizations (e.g. IEA, OPEC)	1
Industry/private sector	3
Other*	<u>3</u>
	<b>21</b>

\* professional societies & associations, individual experts etc

6. The Chair summarized the nominations received to date. He noted that Professor Gioia Falcone has submitted her nomination to represent renewables and academia. The National Hydrocarbons Commission of Mexico has indicated an interest in submitting a nomination. As previously agreed by the Bureau during discussions on geographical representation, a nomination from an African country is being sought.

7. Michael Lynch-Bell will have filled the role of Chair Ex-officio for two years at the end of the EGRC fifth session. Following discussion, it was agreed that it would be useful for Mr. Lynch-Bell to continue in this position for another year in view of the valuable support and guidance he provides to the Chair.

8. Members discussed the process of nominations, including that nominations could be received during the EGRC meeting although it was preferred that the list of nominees be known in advance.

9. Bureau members who have not yet advised of their wish or otherwise to be nominated are encouraged to advise the Chair and secretariat.

10. Leesa Carson advised that she will step down from the Bureau. Geoscience Australia has been restructured and she will become Group Leader, Community Safety effective 1 April. Leesa underlined her wish to remain engaged in UNFC activities, including as a member of the TAG. Andrew Barrett will take up the role as Group Leader, Resources Advice & Promotion – Leesa undertook to encourage him to engage in the EGRC and the Bureau and also attend the fifth session. Leesa further advised that Yanis Mieziits will be retiring from Geoscience Australia in the near future. The Bureau expressed its appreciation to Leesa and Yanis for their support and engagement over a number of years.

#### **Item 4: TAG Update**

Attachment: Minutes of TAG call of 27 February 2014

11. The minutes of the Technical Advisory Group call held on 27 February were circulated as part of the documentation for the Bureau call.

12. The TAG held its second call on 19 March. A key area of discussion at this call related to bridging versus mapping of new systems to UNFC and whether a three-way bridging is necessary or if direct bridging to UNFC is sufficient.

13. The Chair explained the difference between a bridging document and a mapping document. A bridging document explains the relationship between UNFC-2009 and another classification system, including instructions and guidelines on how to classify estimates generated by application of that system using the UNFC-2009 Numerical Codes. A mapping document, however is the output of a comparison between another resource classification system and UNFC-2009, or between that system and existing Aligned Systems, which highlights the similarities and differences between the systems. A Mapping Document can provide the basis for assessing the potential for the other system to become an Aligned System through the development of a Bridging Document.

14. The Chair also confirmed that in his view the specifications are clear: classification systems may be mapped to UNFC-2009 through the CRIRSCO Template/PRMS, or directly to UNFC-2009. In either case, the mapping must comply with all UNFC-2009 definitions and generic specifications. In particular, the relationship between mapped systems must be documented in a Bridging Document that shall be subject to evaluation by the Technical Advisory Group, which will then recommend endorsement by the EGRC only where the resultant estimates reported using UNFC-2009 are considered to be comparable with no significant difference to those that would result from the application of classification systems for which Bridging Documents have already been endorsed by EGRC (i.e. Aligned Systems).

15. The Chair advised that any classification system can be “certified” as UNFC aligned subject to TAG review and EGRC Bureau approval. There was consensus that any such system, if solid minerals or petroleum, may approach bridging by direct mapping to UNFC or through either the CRIRSCO Template or PRMS. There was consensus on this. There was also consensus that for a new commodity, for example, renewable energy sources, direct mapping to UNFC is the only option

16. Discussion focussed on the NEA/IAEA draft bridging document, which illustrates a general alignment with UNFC and its generic principles, and whether this is sufficient or if the bridging document should also include mapping to the CRIRSCO template. There was general consensus that the NEA/IAEA has no obligation to map to the CRIRSCO Template as part of the bridging document. The CRIRSCO representative expressed concern that terminology is used in the bridging document which is not included in either UNFC nor the CRIRSCO Template. He provided examples of this and highlighted the confusion this would cause. It was agreed that any inconsistency in terminology in bridging documents needs to be avoided.

17. Members were also in agreement of the need for a figure that shows the mapping of all four systems on one page i.e. UNFC, CRIRSCO Template, PRMS and Red Book. It was agreed that such a slide could usefully be included in any training material and it would also be useful if it is included in the bridging document.

18. The representative of IAEA explained that his understanding is that both options are equally valid i.e. bridging directly to UNFC or via the CRIRSCO Template or PRMS. It is up to a particular bridging document to define the chosen path. In his opinion, the decision taken previously was clear on this issue, but could be further clarified by the Bureau.

19. The NEA/IAEA bridging document is one example where such flexibility could be advantageous. The NEA/IAEA scheme includes quantities not considered by the CRIRSCO Template but which could be an important part of the uranium resources inventory (this includes non-CRIRSCO ‘resources’; undiscovered resources etc). At a company reporting level many publically listed companies report CRIRSCO compliant resources. When such quantities are available, transfer to UNFC-2009 needs only the application of the CRIRSCO Bridging document. However, a number of uranium mining companies report non-CRIRSCO compliant ‘resources’, either in full or partially. National reporting in most countries also includes a certain component of such resources. Since UNFC allows reporting of such quantities, it is reasonable that specifications should be provided by the NEA/IAEA bridging document, so that transfer of quantities can be consistent. After this bridging is finalized, the next logical step is mapping to the CRIRSCO Template, which could be part of a guidance document.

20. The representative of NPD noted that work is underway to bridge the NPD system to UNFC via PRMS. Having previously mapped NPD directly to UNFC it will be interesting to see how the results compare.

21. The financial reporting sector representative noted that there will be instances where it makes most sense to map to UNFC via PRMS e.g. COGEH.

22. Following discussion it was agreed that the Bureau should provide guidance to the TAG on the above.

23. The TAG is preparing its presentation to the EGRC scheduled for 30 April. The TAG will next meet at 8am on 30 April to finalize the presentation and discuss further its work programme. The TAG will work via email until this meeting.

#### **Item 5: EGRC Fifth Session**

(a) Detailed timeline:

24. Feedback was requested from Bureau members on the draft timeline. There have been no requests to date from members to amend the timings or ordering of the discussions.

25. A number of proposals have been received regarding speakers for the session on “UNFC E axis – environmental and social considerations”. The Chair ex-officio will provide an introductory presentation on what environmental and social considerations are e.g. social licence to operate, community engagement, resource nationalism, equator principles, sustainability, safety, other stakeholder engagement etc. At the suggestion of the CRIRSCO representative, the President of ICMM (International Council on Mining and Metals) has been invited to speak in this session. The CRIRSCO representative agreed to follow-up on the invitation. The representative of IAEA and Julian Hilton are additionally scheduled to speak. Senior officials responsible for social responsibility and environmental issues in BP and Statoil have been invited. The financial reporting representative offered to explore with the Canadian Association of Petroleum Producers (CAPP) if a representative could deliver a presentation.

26. A number of participants have requested to deliver presentations in the case study section, including Argentina, China, Malawi and Serbia.

(b) Participants

27. Over 70 experts are registered. A reminder email was sent out to the EGRC on 19 March.

(c) Sponsors

28. A sponsor or co-sponsors are still being sought for the Cocktail Reception on 30 April.

29. With regard to the coffee breaks, Oxy will sponsor one break and Statoil has indicated it may potentially sponsor one or two breaks.

30. An email was circulated to all potential sponsors on 20 March. Bureau members were encouraged to contact the secretariat if they are able to sponsor the reception or a coffee break.

(d) Draft Conclusions and Recommendations

31. Draft conclusions and recommendations will be prepared and circulated to the Bureau in early April for comment.

(e) UNFC Workshop on 29 April

32. The CRIRSCO representative agreed to present on the CRIRSCO Template and the application of UNFC to solid minerals and, as well as a summarized version of the case study on application of UNFC to solid minerals undertaken by Stephen Henley. The SPEE representative undertook to identify a speaker to present on PRMS and the application of UNFC to petroleum. The Chair of the Task Force on Application of UNFC to Injection

Projects agreed to deliver on the NPD and Statoil pilot study. A presentation related to application of UNFC to renewables will be delivered by a member of the Renewables Task Force.

(f) Timing of EGRC sixth session

33. It is proposed to hold the sixth session the same week as this year i.e. 28 April to 1 May 2015. Members were requested to advise the secretariat of any conflicts with these dates.

**Item 6: Update on Task Force on Application of UNFC-2009 to Renewable Energy Resources**

Attachment: Minutes of Renewables Task Force Call of 7 March 2014

34. The Task Force continues to meet weekly or every two weeks. The minutes of the Task Force call held on 7 March were circulated as part of the supporting documentation for the Bureau call.

35. The Workshop on Application of UNFC to Renewables is being held in Washington 24–25 March. There are more than 40 participants registered, with the renewables sector well-represented, in particular geothermal. The International Hydropower Association (IHA), the World Bank, IRENA (International Renewable Energy Agency) and Bloomberg New Energy Finance are participating.

36. The Task Force has made good progress with the draft renewables specifications. A first draft was circulated to renewables experts for comment prior to the Workshop. IHA has provided useful feedback. The draft will also be presented and discussed at the Workshop. A revised text will be submitted to the Bureau for comment prior to being it issued as a working document for the EGRC meeting.

37. The Chair noted that the Task Force has progressed well beyond its original remit. In the current EGRC work plan the Task Force is requested to assess and report on the feasibility of using UNFC for renewable energy.

38. In the event the draft renewable specifications are finalized in time for submission to the Committee on Sustainable Energy for approval at its meeting in November 2014, the Bureau discussed the need for a written approval process for the EGRC.

39. The Bureau noted with appreciation the progress being made and thanked the Task Force for its continued efforts.

**Item 7: Update on Task Force on Application of UNFC-2009 to Injection Projects**

40. The Chair of the Task Force on UNFC-2009 and injection projects advised that the Task Force is working hard towards finalizing the report that will be presented as a room document at the EGRC fifth session.

41. The Task Force met on Friday 21 March to discuss the draft report as well as to decide on some of the outstanding issues on terminology. In the report several classification systems are compared. The Chair intends to distribute the draft document to the Bureau on or around 31 March for comment prior to submission to the EGRC.

42. The Global CCS Institute has around 60 CO<sub>2</sub> storage projects on its website. The Task Force has classified all the projects according to UNFC demonstrating that UNFC can be applied to storage projects. The Chair noted that she will include an overview of this work in her presentation to the EGRC fifth session.

43. The Bureau noted with appreciation the progress being made and thanked the Task Force for its continued efforts.

**Item 8: Education and outreach**

Attachment: List of events at which UNFC will be presented as at 20 March 2014

44. The list of conferences promoting UNFC in 2014-2015 was reviewed. It was noted that UNFC is currently being presented at an event more than every two weeks.

45. Two standard UNFC presentations have been prepared by Jim Ross and they have been submitted to the Communications Sub-Committee for comment. Both are overview presentations. The short one is 20-30 minutes in length and the longer 40 plus minutes. They have been designed so that the shorter one is a sub-set of the long one allowing any edits/updates to be easily made to both. Jim is currently working on expanding the longer version into a presentation on UNFC more appropriate for a training workshop i.e. it will comprise a series of sub-presentations.

46. Following discussion, members agreed that the Communications Sub-Committee will own the standard presentations following review by the TAG.

47. The CSC will next meet on 4 April.

**Item 9: Any other business**

48. No issues were raised.

**Item 10: Timing of next meeting**

49. The next Bureau calls will be held either just before or just after Easter in order to prepare for the EGRC fifth session. The usual availability notice will be circulated.

50. Meetings of the Bureau will be organized in Geneva at the time of the EGRC fifth session: (i) on 29 April (at around 19.30 hours); and (ii) immediately after the close of the EGRC meeting at 1800 hours on 1 May.

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