

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

From: David MacDonald and Charlotte Griffiths

Conference Calls of the Bureau of the Expert Group on Resource Classification (EGRC)  
8 June 2015  
FINAL MINUTES

Present on 9am BST 8 June Call:

1. David MacDonald (Chair)
2. Roger Dixon (CRIRSCO)
3. Michael Lynch-Bell (Chair ex-officio)
4. Jim Ross (petroleum sector)
5. Charlotte Griffiths (UNECE)

Present on 3pm BST 8 June Call:

1. David MacDonald (Chair)
2. Karin Ask (petroleum sector)
3. Kjell Reidar Knudsen (NPD)
4. John Ritter (SPEE)
5. Jim Ross (petroleum sector)
6. Hari Tulsidas (IAEA)
7. Brad Van Gosen (USGS)
8. Claudia Wulz (European Commission)
9. Charlotte Griffiths (UNECE)

Observer:

1. Nathan Frisbee *representing* Fatih Birol (IEA)

Apologies:

1. Tunde Arisekola (NGSA)
2. Fatih Birol (IEA)
3. Dan Diluzio (SPE)
4. David Elliott (financial reporting sector)
5. Mucella Ersoy (Turkish Coal Enterprises)
6. Gioia Falcone (geothermal sector and academia)
7. John Etherington (TAG Chair, *observer*)
8. Igor Shpurov (First Vice Chair, GKZ Russian Federation)
9. Adichat Surinkum (CCOP)
10. Danny Trotman (financial reporting sector)
11. Narendra Verma (petroleum sector)

**Draft Agenda**

1. Approval of draft agenda (attachment 1)
2. Draft minutes of Bureau meeting, Geneva, 30 April 2015 (attachment 2)
3. Bureau membership (attachment 3)
4. EGRC Sixth Session Debrief (attachment 4)
5. Bureau action items from EGRC Sixth Session
  - Resourcing strategy
  - Guidance note on competent person
  - Guidance note on definition of a project in relation to UNFC-2009
  - White paper on application and use of G axis
  - Other issues

6. Proposal to show the film “SWITCH” ([www.switchenergyproject.com](http://www.switchenergyproject.com)) at EGRC Seventh Session
7. Uranium guidelines public comment
8. Technical Advisory Group update (attachment 5)
9. Committee on Sustainable Energy Meeting, 27-28 May 2015 feedback
10. UNECE Executive Secretary blog "[Getting energy investments right](#)"
11. Date of next Bureau call
12. Any other business

Documentation:

1. Draft agenda for Bureau Calls on 8 June 2015
2. Draft Minutes of 30 April 2015 Bureau Meeting
3. EGRC Bureau List as at 1 May 2015
4. EGRC Sixth Session Meeting Report
5. Minutes of TAG meeting of 12 March 2015

**Item 1. Approval of Draft Agenda**

Documentation: Draft agenda for Bureau Calls on 8 June 2015

1. The agenda was adopted without amendment

**Item 2. Draft minutes of Bureau meeting, Geneva, 30 April 2015**

Documentation: Draft minutes of Bureau Meeting, Geneva, 30 April 2015

2. The draft minutes as circulated on 12 May were adopted without amendment.

**Item 3. Bureau membership**

3. The list of Bureau members and contact details as at 1 May 2015 was circulated. This includes John Etherington who, as TAG Chair, was given observer status on the Bureau as agreed at the EGRC Sixth Session. Bureau members were requested to advise the secretariat of any needed changes.

4. The Chair reminded Bureau members that Bureau elections will be held at the EGRC Seventh Session. He noted that there could potentially be interest from Andrew Barrett, Geoscience Australia, in joining the Bureau.

**Item 4. EGRC Sixth Session Debrief**

5. The Chair noted that the EGRC Sixth Session report was circulated as part of documentation for the call. Feedback was provided on the meeting, included that it was best attended EGRC meeting with the highest number of countries, both UNECE and non-UNECE countries represented. A number of members noted with satisfaction that the level of involvement and the breadth of the attendees continues to increase and that experts also continue to return year after year.

6. The Chair thanked Bureau members for their support and guidance before and during the meeting, including with all the side events and meetings held as part of the Resource Classification Week. He noted that over 80 experts participate in the work of the Bureau and all the Tasks Forces between annual meetings.

7. Bureau members were also impressed by the number of experts at the meeting who offered to become actively involved in the work of the EGRC between sessions e.g. Dominique Salacz (Addax Petroleum), Andrew Barrett (Geoscience Australia) and other others.

#### **Item 5. Bureau action items from EGRC Sixth Session**

8. The Bureau discussed its action items arising from the sixth session and the 2016-2017 work plan:

(a) Resourcing strategy

Extract from 2016-2017 Work Plan: *“The Bureau of the Expert Group will develop a resourcing strategy together with an estimated funding requirement, identify potential donors and approach them for support.”*

9. The Chair noted the need to progress this work as a priority. He propose that he, Scott Foster and Charlotte develop an extrabudgetary project proposal that would be submitted to the UNECE Executive Committee for approval and once approved donor support would sought as well the assistance of the UNECE Executive Secretary in approaching potential donors, in particular UNECE member States. It was agreed that the draft proposal would be circulated to the Bureau for comment and approval prior to submission. The proposal will be a two-page document outlining what the project is seeking to accomplish, together with a draft budget. The project would require governance by the Bureau and the EGRC.

10. Should the extrabudgetary project be approved and funds subsequently identified, the Bureau was advised that the monies in the first instance are intended to provide additional administrative support within the UNECE secretariat for the work on UNFC. Currently 50% of one professional staff member and around 20% of one administrative support staff is allocated to the work of the EGRC, which is far from adequate to deliver on all the work needed. Funds could also be spent on the travel of experts to progress items in the EGRC work plan. All travel would be in economy class in accordance with UN rules. It was noted that there may be restrictions on Bureau members receiving funding due to conflicts of interest. The secretariat will explore further and advise the Bureau at a future call.

(b) Guidance note on competent person

Extract from 2016-2017 Work Plan: *“The Bureau will review and prepare a guidance note on the need for and responsibilities of a Competent Person or Persons with regard to UNFC-2009.”*

11. The Chair proposed that he would put together a draft text based on the two PowerPoint slides he had prepared earlier and showed at the Sixth Session. The CRIRSCO representative and Jim Ross offered their support. The aim is to have a first draft ready by early September.

(c) Guidance note on definition of a project in relation to UNFC-2009

Extract from 2016-2017 Work Plan: *“The Bureau will review and prepare a guidance note on the definition of a project in relation to UNFC-2009.”*

12. The Chair asked for volunteer(s) to prepare the first draft. Jim Ross advised that he had developed project definitions with respect to petroleum for SPE and offered to develop a draft

text. The CRIRSCO representative offered to provide input on the approach taken by the solid minerals sector. Feedback from the Renewables Task Force would also be sought. It was recommended that the text should also reflect the IFRS definition of an “income generating unit” and hence Michael Lynch-Bell and Danny Trotman would be approached for guidance.

(d) White paper on application and use of G axis

Extract from EGRC-6 meeting report: *“The Expert Group recommended that the G axis name, category definitions and supporting explanations be reviewed in detail during the next update of UNFC-2009 and one or more proposals developed for modifications that would better reflect the needs of the renewables sector without compromising their applicability to solid minerals and petroleum.”*

Extract from 2016-2017 Work Plan: *“The Bureau will review and prepare a guidance note on the application and use of the G-axis name, category definitions and supporting explanations in the light of its expanded use by the renewables sector.”*

13. Following discussion, the Chair agreed to approach the Chair of the Renewables Task Force to see if he could identify an expert from his Task Force to prepare a first draft. Members noted that the needs of the mining and oil and gas sectors, as well as those of the CO2 injection projects task force, must also be accommodated.

(e) Other issues

Extract from EGRC Sixth Session meeting report: *“The Expert Group recommended that a formal mechanism be established with CRIRSCO and any other systems bridged to UNFC-2009 to ensure that the Expert Group and the Bureau is able to monitor and discuss any potential revisions being considered with regard to planned updates to the CRIRSCO Template, or other bridged systems.”*

14. Further to previous discussions on the development of an MoU between UNECE and CRIRSCO similar to that which is in place with SPE, it was agreed that this should be progressed. In view of the new rules in place at UNECE on MoUs, the secretariat will prepare a revised MoU and submit to the CRIRSCO representative for comment prior to wider circulation to the Bureau.

15. The Chair advised that the SPE OGRC has agreed to make UNECE aware of any planned changes to PRMS prior to issuing any drafts for public comment.

16. An MoU is under development between UNECE and IAEA. The Bureau will be advised as this progresses.

**Item 6. Proposal to show the film “SWITCH” ([www.switchenergyproject.com](http://www.switchenergyproject.com)) at EGRC Seventh Session**

17. The Chair drew attention to the proposal by the TAG Chair to incorporate the film SWITCH ([www.switchenergyproject.com](http://www.switchenergyproject.com)) in the programme for the EGRC Seventh session and perhaps invite its author, Scott Tinker, to attend. Scott Tinker is currently Director of Economic Geology for the State of Texas and is an ex-President of AAPG.

18. The SPEE representative supported the proposal noting that the film provides a very well balanced review of all the potential sources of energy on a global scale and the capacity

of renewables to replace extractive commodities. The film is well prepared and thought provoking. The only potential challenge is the film's length of 100 minutes.

19. A number of Bureau members expressed concern to ensure that the EGRC is not seen to be promoting one energy source over another. The Chair allayed these concerns assuring members that the EGRC is a technical body and would only be highlighting the possibilities and not taking a stance.

20. The Chair requested that the secretariat explore opportunities to show the film at the Seventh Session including in cooperation with the SPE Swiss Section or as an evening event. We could look to organize this as part of the SPE Swiss Section lecture at the Seventh Session or organize an evening event that we open to and encourage the general public to attend.

21. The Chair encouraged members to watch the film and also review the wealth of educational material available on the [Switch](#) portal.

#### **Item 7. Uranium guidelines public comment**

22. The significant progress made by the Nuclear Fuels Task Force on applying UNFC-2009 to uranium and thorium was noted.

23. The uranium guidelines, including the eight case studies, will be issued for public comment during the week of 15 June for two months. Bureau members agreed that two months is the minimum comment period. Bureau members were encouraged to circulate details of the public comment opportunity widely, once open.

24. The Chair and other members of the Nuclear Fuels Task Force were thanked for their hard work.

#### **Item 8. Technical Advisory Group update**

25. The minutes of the TAG meeting of 12 March were circulated with the documentation for the call.

26. The TAG was extremely active during the EGRC week and has continued to be since then. The Chair provided an update of TAG activities:

(a) TAG membership:

27. Following the note that was circulated to the Bureau on 13 May 2015 regarding the nomination of Dominique Salacz to the TAG, there was unanimous support for his nomination. Dominique has now joined the TAG and has become an active member.

(b) Bridging Russian Federation Classification System of 2013 to UNFC-2009:

28. A productive first meeting with GKZ was held in Geneva on 28 April 2015. An English version of the RF-2013 detailed guidelines is being prepared by GKZ. The target date for the draft report is April 2016.

(c) Bridging Chinese petroleum classification to UNFC-2009:

29. The project started on 30 April 2015. The TAG is waiting for an English version of the Chinese classification to be provided. This is a two-year project. The TAG anticipates the project may require on onsite visit to China by a TAG sub-team to accelerate the project – such a visit could potentially be combined with a SPE Reserves ATW currently under discussion.

(d) Bridging solid minerals classification to UNFC-2009:

30. The project started on 30 April 2015. The TAG is waiting to receive an English version of the Chinese classification. This is a two-year project. The TAG anticipates the project may require on onsite visit to China by a TAG sub-team to accelerate the project.

(e) Review of uranium guidelines and associated case studies:

31. The TAG is waiting to receive final Guidelines. The TAG is assembling a team of experts to review the eight case studies.

(f) Review of simplified petroleum case study to demonstrate key principles:

32. This was submitted on 22 May by the Renewables Task Force to assist in developing a geothermal assessment process. The TAG review/comments were delivered to the Task Force on 3 June.

33. Discussion followed on the issue of mapping between systems. The general consensus was that UNFC is the best tool, given its granularity and generic definitions, to use to bridge between commodity-specific systems. It was noted that this is the primary function of the UNFC. Following the bridge it is, however necessary to make some spot sense checks of the bridge to ensure that volumes have mapped across properly between the new commodity system and the foundation system (CRIRSCO Template or PRMS). Where the systems are based on fundamentally different premises (e.g. Russian Federation system to PRMS), UNFC already provides the format for bridging documents to allow the split and combination of one-to-many category mappings. The secondary check is also necessary to ensure that any of the specifications in the foundation system that are not required for UNFC are also in place (such as Competent Person for the CRIRSCO Template). Any system that is being bridged to UNFC can be mapped directly to it based on the category definitions and then the detailed instructions of the bridging document used to ensure that all relevant commodity-specific specifications are honoured. While mapping first to any of the existing bridged systems (e.g. to PRMS) remains an option, several members concurred with the view that attempting to bridge to one of these systems first would be very inefficient and could not be supported.

34. The Chair of the TAG and the members were thanked for their continued efforts.

**Item 9. Committee on Sustainable Energy Meeting, 27-28 May 2015 feedback**

35. An open-ended consultation of the Committee on Sustainable Energy was held in Geneva, 27-28 May. A goal of the meeting was to seek feedback from member States on the status of the work of all the expert groups and their work plans for 2016-2017.

36. The EGRC work plan for 2016-2017 as recommended by the EGRC at its Sixth Session was circulated and posted on the meeting webpage.

37. The Chair advised that he delivered a presentation on the EGRC and UNFC via audio link-up, including how the work helps to attain sustainable energy goals in the UNECE region.

38. The Chair provided details of the recommendations that he made to the Committee:

- to endorse the EGRC work plan for 2016-2017
- to assist efforts to identify extrabudgetary funding
- in view that application of UNFC to renewables is challenging - closer collaboration with and support from Group of Experts on Renewable Energy needed
- to facilitate broader engagement/support of other UN regional commissions in ensuring worldwide application of UNFC
- EGRC agreed its annual sessions need to continue to be held over four days, including an educational and training session on UNFC. The Committee was recommended to support this.

39. The presentation was well received. The EU and its member States were very supportive and indicated they did not anticipate any issues in the Work Plan for 2016-2017 being endorsed by the Committee at its meeting in November or with the other recommendations put forward.

40. Amongst the feedback received was a request for the EGRC to improve the visibility of the UNFC and its work within capital cities of UNECE member States and more broadly. A one page communication leaflet was proposed. This message will also be shared with the Communications Sub-Committee. A similar one page communication document has been proposed by the Renewables Task Force on the work on application of UNFC to renewables.

41. It was proposed that the representative of the European Commission explore ways to secure broader support for UNFC across other Directorate Generals, in particular D.G. Energy.

#### **Item 10. UNECE Executive Secretary blog "[Getting energy investments right](#)"**

42. The Chair drew attention to the blog issued by the UNECE Executive Secretary, Christian Friis Bach on 20 May "Getting energy investments right". The blog was issued to coincide with the Sustainable Energy for All Forum in New York. UNFC is referenced and promoted in the blog. Bureau members were encouraged to read the blog.

43. The Chair noted that some of the wording in the blog is very similar to the text of the joint statement of the six European oil and gas companies issued on 1 June 2015 calling for a price on carbon.

#### **Item 11. Date of next Bureau call**

44. The next Bureau calls will be held during the second half of August. The usual availability notice will be circulated.

#### **Item 12: Any other business**

45. The Chair noted that the usual updates on the work on renewables, injection projects, the E-axis, and communications were not tabled for discussion in view of the updates provided at the EGRC sixth session.

46. The Chair of the Injections Project Task Force advised that the draft Specifications for the Application of UNFC-2009 to Injection Projects will be issued for public comment over the coming weeks.

47. No other issues were raised.

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