

# THE VISION AND GOALS FOR SUSTAINABLE RESOURCE MANAGEMENT.

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**UNECE**

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**RESOURCES FOR SUSTAINABLE DEVELOPMENT**

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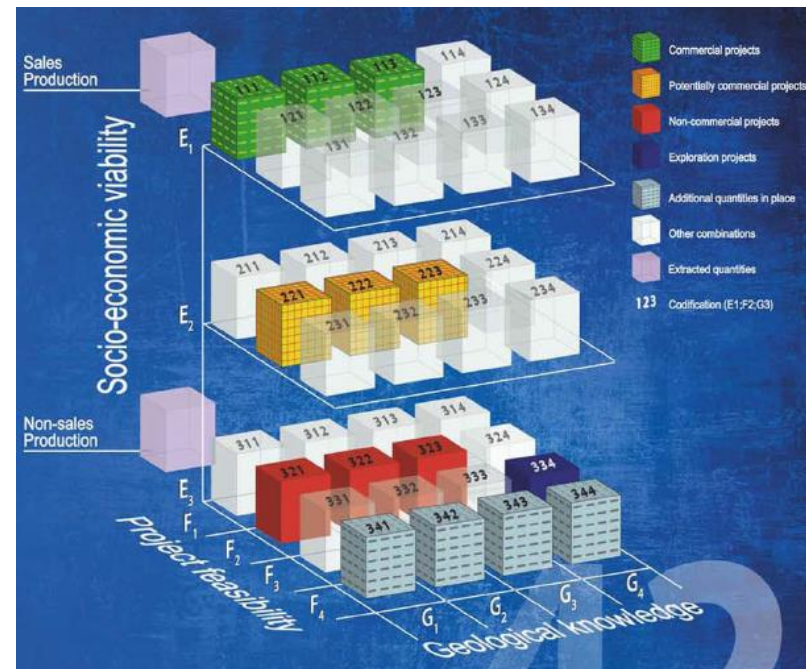


# UNFC CLASSIFICATION IS:



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- ▶ The only classification that can serve as a basis for global geopolitical forecasts concerning energy resources and mineral raw materials
- ▶ Generic principle-based system in which quantities are classified based on the three fundamental criteria: economic and social viability (E), field project status and feasibility (F), and geological knowledge (G), using a three-dimensional independent language and numerical coding scheme. ***The result is a common language of communication, which can be equally understood by public authorities and business***
- ▶ An integral set of rules; their simplicity ensures applying both directly and as an instrument for harmonization (mapping) of various national classifications;
- ▶ In the nearest future, UN Classification may become a major tool ensuring harmonious development of society and the world.
- ▶ Nowadays 76 countries use the UNFC as a main classification for resources or has bridging documents with their national classifications (Russia, China, etc.).



# WHAT IS NECESSARY:

Establishment of alternative new centers for the development of investment decisions in mineral reserves management for Central Asian and BRICS countries



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- ▶ Mutual recognition of national classifications via harmonization with UNFC (on the basis of Russian Bridging Document)
- ▶ Establishment of global institution of Competent Persons (Experts) recognized by global international expert community
- ▶ Recognition of Russian resource reporting standards based on the UNFC single platform by the<sub>3</sub> New Development Bank

## FURTHER STEPS:

# INTERNATIONAL COOPERATION TO HARMONIZE APPROACHES IN EVALUATION OF MINERAL RESERVES AND RESOURCES



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International Scientific-Practical Conference on Harmonization of Approaches in the Assessment of Mineral Reserves and Resources was held on 30-31 May 2018 in Moscow (Russian Federation)

- It was co-organized by UNECE, the Ministry of Natural resources and Environment of Russia, Ministry of Energy, FBO GKZ and Moscow State Institute for International Relations
- Over 250 experts from Russia, Great Britain, Africa, Kazakhstan, Kyrgyzstan, Uzbekistan participated in the conference

### There was consensus that:

- ▶ *The UNFC is an appropriate point of departure for a new international initiative to assess projects on their social, environmental and economic benefits and support innovative financing mechanisms.*
- ▶ *The level of competence of experts should be improved. And the crucial role in this process will be played by partnerships with other countries and organizations*

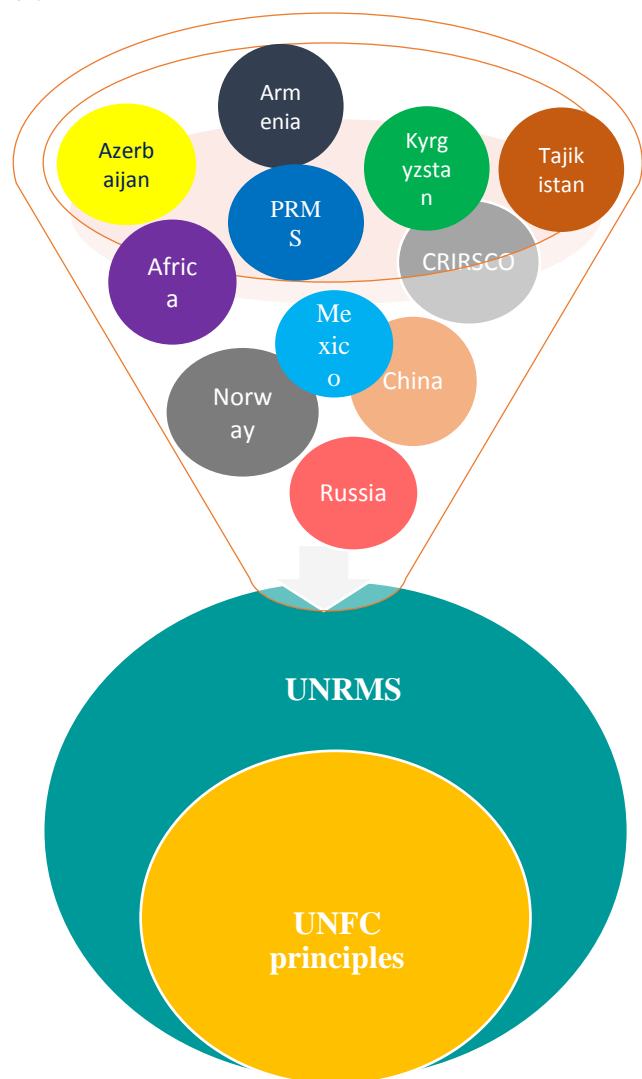
A joint workshop of the UNECE and GKZ “Promotion of UNFC and UNRMS for expansion of investment potential of Central Asian and BRICS countries” will be held on **17-19 September 2019 in Tyumen (Russia)** within the Tyumen Oil & Gas Forum



# THE PROPOSAL OF THE UNECE IS TO ESTABLISH AN INTERNATIONAL CENTRE OF EXCELLENCE IN SUSTAINABLE RESOURCE MANAGEMENT (ICE-SRM) BASED ON THE PRINCIPLES OF UNFC AND UNRMS



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The UNECE proposes to collaborate with Russia to establish an International Centre of Excellence in Sustainable Resource Management (ICE-SRM) based on the principles of UNFC and UNRMS

## OBJECTIVES:

- enhancing sustainable resource management in the partner-countries through the application of the Russian system based on UNFC and UNRMS principles.
- supporting consistent resource reporting in the partner-countries through the development of a mechanism for designating Competent Persons for resource estimation that is recognized at national, regional and international levels.
- developing a resource reporting framework based on the Russian system aligned to UNFC and UNRMS for investment banks, development banks (the New Development Bank) and other financial institutions to increase investment.
- supporting broader collaboration and partnership in partner-countries through the development of associated and interconnected **national centres of excellence**.

# THE PRINCIPAL ACTIVITIES OF ICE-SRM DESIGNED TO ACHIEVE THE ABOVE OBJECTIVES WILL INCLUDE



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- ✓ Multi-stakeholder workshops connecting key institutions in CIS countries to extend the principles of UNFC and UNRMS using the Russian system and its bridging scheme as a conduit.
- ✓ High-level consultations with investment banks, development banks (the New Development Bank) and other financial institutions such as stock exchanges in CIS countries and the International Accounting Standards Board (IASB).
- ✓ Development of documentation for the Russian system, UNFC- and UNRMS-based reporting codes and application guidelines to attract investments.
- ✓ Training courses for Experts/Competent Persons, including a formal recognition procedure.
- ✓ Preparing case studies and application scenarios for the assessment of mineral reserves and resources.

# CONCEPT AND GOALS OF THE PROJECT



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**Concept:** Establishment of new (independent) centers for the development of investment decisions in mineral reserves management for Russia and partner-countries – to make investment decisions on the basis of own (national) reporting standards, recognized by the international community, and certified by the national expertise system and recognized competent persons.



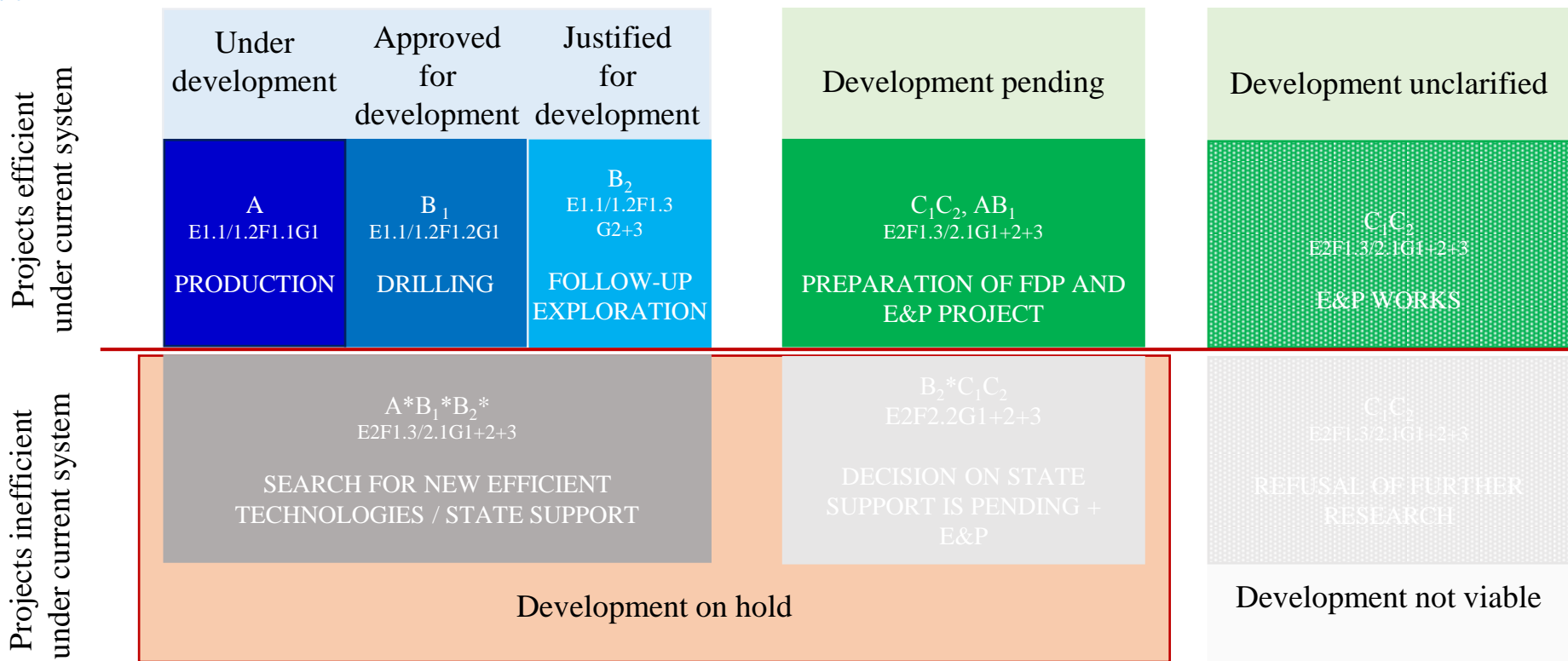
**Short-term GOAL** is by the 2020 to develop the existing system of reserves evaluation in Russia to the level that allows to the Russian banks to make investment decisions in a Fuel and Energy Complex on the basis of the **state assessment of mineral reserves** and the national independent audit integrated in it.

**Long-term GOAL** is by the 2022 to create the conditions for BRICS bank and other international financial institutes to make investment decisions on the basis of Russian reporting standards, (integrated into United Nations Framework classification for Resources (UNFC) and certified by recognized Russian competent persons.

# INTRODUCTION THE NEW HC RESERVES CLASSIFICATION IN RUSSIAN ALLOWED ARRANGING RESERVES IN ACCORDANCE WITH UNFC



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Project-oriented arrangement reserves allows, if necessary, providing a focused state support to subsoil users in development of mineral resources, production of which is not possible in the current stage because of technological and economic reasons





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# Thank you

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