## To: Members of the Bureau of the UNECE Expert Group on Resource Management

From: David MacDonald, Charlotte Griffiths, Slavko Solar and Hari Tulsidas

| Call of the Bureau of the Expert Group on Resource Management (EGRM) |  |
|--|--|
| Via Teams - 15:00 CEST, 14 June 2022                                 |  |
| MINUTES  |  |

#### Attendance:

| Attendance:   |              |             |
|---|--------------|-------------|
|   | Present      | Apology     |
| David MacDonald, EGRM Chair                           | $\boxtimes$  |             |
| Igor Shpurov, Russian Federation (not present)        | $\boxtimes$  |             |
| Alternates Olga Trofimova (present) Ekaterina Lovchuk |              |             |
| and Marina Kuznetcova                                 |              | $\boxtimes$ |
| Tunde Arisekola, Nigeria                              | _            |             |
| Hussein Allaboun, Jordan                              |              |             |
| Viktor Babashev, Kazakhstan                           | $\boxtimes$  |             |
| Andrew Cross, Australia                               |              | $\boxtimes$ |
| Roger Dixon, CRIRSCO                                  |              | $\boxtimes$ |
| Mücella Ersoy, Turkey                                 |              | $\boxtimes$ |
| Gioia Falcone, IGA                                    | $\boxtimes$  |             |
| Nurangiz Farajullayeva, Azerbaijan                    |              | $\boxtimes$ |
| Sarah Forbes, United States of America                | $\boxtimes$  |             |
| Milan Grohol, EC                                      |              | $\boxtimes$ |
| Alternate Robert Tomas                                |              |             |
| Karen Hanghoj, United Kingdom                         | $\boxtimes$  |             |
| Zoltán Horváth, EuroGeoSurveys                        | $\boxtimes$  |             |
| Erica Ingvald, Sweden                                 |              | $\boxtimes$ |
| JU Jianhua, China (not present)                       | $\boxtimes$  |             |
| Alternate YANG Hua (present)                          |              |             |
| Branka Knežević, Bosnia and Herzegovina               | $\boxtimes$  |             |
| Stig-Morten Knutsen, Norway                           | $\boxtimes$  |             |
| Young Joo Lee, CCOP (not present)                     |              | $\boxtimes$ |
| Alternate Songyang WU (present)                       | $\boxtimes$  |             |
| Luis Lopez, OLAMI                                     | $\boxtimes$  |             |
| Jennifer McCoy, Ernst & Young                         |              | $\boxtimes$ |
| Rafal Misztal, Poland                                 |              | $\boxtimes$ |
| Frank Mugyeyni, AUC                                   |              | $\boxtimes$ |
| Henri Paillere, IAEA<br>Alternate Adrienne Hanly      |              | X           |
| Teresa Ponce de Leão, Portugal                        | $\boxtimes$  |             |
| Ulises Neri, Mexico                                   | $\boxtimes$  |             |
| Michael Neumann, EFG                                  | X            |             |
| Bernard Seiller, SPE                                  | $\boxtimes$  |             |
| Satinder Purewal, TAG Co-Chair                        | $\mathbf{X}$ |             |
| Alexander Shpilman, TAG Co-Chair                      |              | $\boxtimes$ |
| Charlotte Griffiths, UNECE                            | $\boxtimes$  |             |
| ,   |              |             |

| Hari Tulsidas, UNECE | $\boxtimes$ |  |
|----------------------|-------------|--|
| Slavko Solar, UNECE  | $\boxtimes$ |  |
| Lisa Amend, UNECE    | $\boxtimes$ |  |
| Walker Darke, UNECE  | $\boxtimes$ |  |
| Duanxia Xu, UNECE    | $\boxtimes$ |  |

## Draft Agenda

- 1. Approval of Draft Agenda (attachment 1)
- 2. Minutes of Bureau call of 21 April 2022
- Rescheduled EGRM-13

   (a) Rescheduled EGRM Sessions (21 September 2022, 25 October 2022)
   (b) Bureau elections/nominations
   (c) EGRM-13 parliamentary documents

   EGRM realignment and informal brainstorming 27-28 April 2022 (attachment 2)
   UNRMS Subgroup update
  - (a) UNRMS module development (b) ECOSOC
- 6. Hydrogen
- 7. Technical Advisory Group Update
  (a) Specifications and revision to reference SDGs
- 8. UN Working Group on Transforming Extractive Industries for Sustainable Development Update
  - (a) Survey to Map UN initiatives on extractives
- 9. ICE-SRM Updates
- 10. Committee on Sustainable Energy 31<sup>st</sup> Session
  (a) Building a Resilient Energy System parliamentary document
  (b) Conclusions and recommendations from EGRM
  (c) Resource management session
- 11. UNECE Ministerial Meeting on CRMs and Climate Finance
- 12. Education and outreach
  - (a) Website
  - (b) Conferences in 2022 (attachment 3)
- 13. Date of next call
- 14. Any other business

#### **Documentation:**

- 1. Draft agenda for Bureau Call on 14 June 2022
- 2. EGRM Realignment Proposal
- 3. List of events promoting UNFC in 2022-2023 as at 9 June 2022

#### Item 1. Approval of Agenda

Documentation: Draft agenda for Bureau Call on 14 June 2022

1. The agenda was approved.

2. There was agreement to amend item 11 to read "UNECE Forum on Regional cooperation on enhancing sustainable management and financing for the critical raw materials required for low-carbon transitions" and add an item "ISSB Sustainability Standards Advisory Forum and EGRM Engagement" under item 14 Any other business.

#### Item 2. Draft minutes of Bureau calls of 21 April 2022

Documentation: Draft minutes of Bureau Call of 21 April 2022

3. The draft minutes of the Bureau call of 21 April 2022 were circulated by email. No comments were provided. The minutes have been posted.

## Item 3. Rescheduled EGRM-13

(a) <u>Rescheduled EGRM Sessions (21 September 2022, 25 October 2022)</u>

4. There is the possibility to include several events under the umbrella of EGRM-13 as below. Participants will be encouraged to join in person or through virtual mediums.

- UNECE High-level Meeting on CRMs and Climate Financing, 20 September 2022. Ministers are encouraged to join by UNECE.
- Session on Modernizing Resource Management, 31st Annual Meeting of the Committee on Sustainable Energy (CSE-31), 21-23 September 2022. The focus could be on Resources as a Service and additional inputs from the UN Secretary General's Working Group on Transforming the Extractive Industries for Sustainable Development.
- EGRM-13 has been rescheduled as a one-day event on 25 October 2022. The focus will be on issues needing decision by EGRM. EGRM realignment and documents presented for EGRM-13 could be discussed.
- A workshop at the International Forum on Energy for Sustainable Development in October 2022. The venue, format and date of the Forum are to be confirmed.

5. There was agreement regarding the date of the rescheduled EGRM-13 Sessions (21 September 2022, 25 October 2022). The revised agenda for EGRM-13 will be prepared accordingly.

(b) Bureau elections/nominations

6. The following three Member State-supported members have been nominated for re-election at EGRM-13 as Vice-Chairs:

- Branka Knežević, Bosnia and Herzegovina
- Viktor Babashev, Kazakhstan
- JU Jianhua, China

7. Elections of the Bureau will also be held at EGRM-14 in April 2022. The term of many Vice-Chairs will expire then. The Chair, David MacDonald, advised that he will not stand for re-election as Chair. The Bureau will propose to EGRM to keep the outgoing Chair continuously engaged in the Bureau as a participatory member. If needed, the Terms of Reference for the Bureau will be adjusted and formalized accordingly.

#### (c) EGRM-13 parliamentary documents

8. All the parliamentary documents have now been submitted and posted to the meeting webpage except for the updated Geothermal Specifications which are not yet ready for submission. They have been reviewed by the Renewable Energy Working Group and the Technical Advisory Group and the comments received are currently being reviewed by the UNFC Ad Hoc Committee of the International Geothermal Association (IGA) established to prepare the updates of the documents. An update on the modalities of progression could be given within the next two weeks.

## Item 4. EGRM realignment and informal brainstorming 27-28 April 2022

Documentation: EGRM Realignment Proposal

9. An informal brainstorming was carried out by a few people who were present in Geneva in the last week of April (27-28 April), with a few joining online. In view of the current socio-economic and climate emergency, sustainable resource management (SMR) has become one of the three priority areas of UNECE and a key priority for the UNECE Sustainable Energy Division. Hence, EGRM should start thinking about how it could become a more substantial body over the next five+ years.

- 10. The brainstorming that followed recommended that the current priorities of EGRM should be:
  - Continued development of UNFC;
  - Developing UNRMS;
  - Implementation of UNFC and UNRMS.

11. UNFC and UNRMS will focus on social and environmental aspects and alignment with the SDGs.

12. With the current emphasis on SRM by all stakeholders, the Bureau, in cooperation with the TAG, WG Chairs and EGRM will need to explore how EGRM could be transformed in a phased manner to take on the challenges, particularly around education, outreach and implementation. A realignment is required at this stage.

13. Regarding the EGRM Realignment Proposal, the following points were discussed. Modifications will be made to the presentation to reflect comments from members. The updated version of the presentation will be discussed at the next meeting and will be presented to the EGRM for approval thereafter.

- The Bureau will comprise representatives from UNECE Members States or other UN Members States and will be responsible for policy and high-level decisions including endorsement.
- The name of the proposed "Technical Operation Executive" will be further discussed.
- There is a need for EGRM to work beyond resource management systems and tackle other challenges in resource management. The TAG Co-Chair (Mr. Satinder Purewal) will share a report on sustainable resource supply in the following months for information.
- EGRM should switch from product-focus to outcome-focus with greater attention to stakeholder groups including governments, industries and other stakeholders.
- The ability of the EGRM secretariat to support the work and range of activities of EGRM continues to a challenge as does funding. The EGRM Realignment Proposal will require more resources (human and financial) which will be a major obstacle to its implementation. Conversations with UNECE and potential donors will be critical.

14. Modifications will be made to the presentation to reflect comments from Bureau members. The updated version of the presentation will be discussed at the next meeting and will then be presented to EGRM for approval.

#### Item 5. UNRMS Subgroup update

#### (a) <u>Draft UNRMS Principles and Requirements</u>

15. The draft UNRMS Principles and Requirements document has been submitted as a parliamentary document for EGRM-13. The proposal is to issue the draft UNRMS Principles and Requirements document for public comments in parallel to EGRM-13 approval. Comments from the Bureau, the public, and EGRM-13 could be assimilated to finalize the document and publish it on the website.

#### (b) <u>UNRMS module development</u>

16. Two UNRMS models are being developed, as advised during the previous Bureau call on 21 April 2022:

- (i) Sustainable management of the critical raw materials required for the low-carbon energy transition
- (ii) Resources as a Service: A catalyst to accelerate the energy transition, safeguarding climate action targets within the circular economy.

17. The modules are proposed to be presented as parliamentary documents to the 31st Committee session. Both draft documents will be circulated to the Bureau for review once finalized.

## (c) ECOSOC

18. Having UNFC endorsed by ECOSOC three times and recommended for global application has been extremely beneficial for the work of EGRM and the interest in and the uptake of UNFC. The Bureau discussed and agreed that it would be advantageous to have UNRMS similarly endorsed by ECOSOC and recommended for global application. The draft text needs to be approved by the Committee, EXCOM, and the Commission before forwarding it to ECOSOC for consideration. The Commission next meets in April 2023.

## Item 6. Hydrogen

19. A document on "Attaining carbon neutrality - The role of hydrogen Comprehensive and science-based terminology, classification, and taxonomy for hydrogen" is under development by the Secretariat. The document proposes the development of an international taxonomy/classification for hydrogen as a joint activity of the Group of Experts on Gas, the Expert Group on Resource Management, and the Group of Experts on Cleaner Electricity.

20. The document will propose applying the UN resource management tools to a future Guarantee of Origin and taxonomy for hydrogen. Application of UNFC and UNRMS are included in this proposal. The document will be presented at CSE-31. The draft will be circulated to the Bureau and the Working Group Chairs for comments.

## Item 7. Technical Advisory Group Update

(a) Specifications and revision to reference SDGs

21. Focus on Social and Environmental aspects, and alignment to SDGs are the unique features of UNFC and UNRMS.

22. UNFC and UNRMS need to be adopted by governments in the first instance and by industry and others later. Adoption of UNFC and UNRMS by governments in their efforts to attain the SDGs is crucial. As was the experience in the EU, Africa and elsewhere, the 2030 Agenda for Sustainable Development is an approved framework, and any tool that supports the realization of the SDGs will be given priority. The same logic applies to industry, which has now made SDG-based reporting standard practice. The Bureau agreed that a paragraph or two needs to be included in all sectoral specifications clarifying this alignment. TAG through the SDGs Delivery WG and the Social and Environmental Considerations WG need to ensure that all specifications are updated to include the required text.

#### (b) <u>TAG update</u>

- 23. Current activities and work plan of TAG are as follows:
  - (i) <u>Minerals Working Group</u>: The WG is being reactivated. The WG will look into finalizing the CRIRSCO Template Bridging Document. It will also develop best practices and case studies for applying UNFC and UNRMS to mineral resources.
  - (ii) <u>Petroleum Working Group</u>: UNFC-2019/PRMS-2018 Bridging Document update is ongoing. A review of the Russian Federation Petroleum Bridging Document Update has been started. Environmental and Social guidelines for petroleum specifications are being completed. A case study is in progress in Azerbaijan. The WG is exploring possibilities for other case studies. The WG members have been involved in the UNECE Hydrogen Task Force work.
  - (iii) <u>Renewable Energy Working Group</u>: A national aggregation case study on wind resources in the UK was submitted for EGRM-13. The WG is currently brainstorming on its work and future focus.
  - (iv) **Injection Projects Working Group**: The WG is working on an update of the UNFC specifications document for injection projects.
  - (v) <u>Anthropogenic Resource Working Group</u>: The WG is working on revising the specifications document for anthropogenic resources.

- (vi) <u>UNFC Groundwater Working Group</u>: Five case studies for applying the new groundwater specifications are in progress. A WG call was held on 26 April.
- (vii) <u>UNFC Social and Environmental Considerations Working Group</u>: The WG is planning case studies on the application of UNFC and UNRMS specifications and guidelines for governance.
- (viii) Sustainable Development Goals Delivery Working Group: The WG is contributing to the UNRMS module "Resources as a Service: A catalyst to accelerate the energy transition, safeguarding climate action targets within the circular economy."

# Item 8. UN Working Group on Transforming Extractive Industries for Sustainable Development Update

#### (a) Update

24. The name of the Working Group has been modified to "Working Group on Transforming the Extractive Industries for Sustainable Development".

25. The opportunity to organize a session on the WG as part of the Intergovernmental Forum on Mining, Metals and Sustainable Development (IGF) AGM in early November is being explored.

#### (b) Survey to Map UN initiatives on extractives

26. A survey has been developed by the WG Co-leads (UNECE, UNDP and UNEP) to map current initiatives being undertaken relevant to the WG. This survey will help to better understand UN efforts for the transformation of the extractives sector and point to overlaps, synergies and gaps. The survey has been circulated within the UN system in the first instance. The Chair of EGRM has been invited to complete the survey. This will ensure that UNFC and UNRMS are highlighted.

27. The UN Development Coordination Office (UNDCO) is interested in the work of the extractive industries, and this might be an opportunity to promote UNFC and UNRMS.

#### Item 9. ICE-SRM Updates

#### (a) ICE-SRM Moscow

28. The extrabudgetary project approved by EXCOM in December 2021 on "Strengthening capacities of selected UNECE member States in sustainable and harmonious management of natural resources" is currently blocked at EXCOM level. The project donor is the ICE-SRM Moscow. This is a four-year project that was due to start in the first quarter of 2022 with a total value of USD 2.736 million (or USD 547,000 per annum). It is hoped that the discussions at the next EXCOM meeting in early-July will serve to unblock the project.

#### (b) ICE-SRM Mexico

29. ICE-SRM Mexico has initiated several activities at the level of the Government, industries and academia. The Government of Mexico might deploy UNFC in several regulations including field development plan, reserves and resources, etc. Oil and gas companies in Mexico are showing a growing interest in SDGs. Roadmaps to achieve the goals with an integration of the application of UNFC are currently being discussed. In addition, UNFC is promoted for application to academic projects at the National Autonomous University of Mexico. Detailed experience and progress will be shared at the next meeting.

#### (c) ICE-SRM China

30. The Chinese delegation has completed the update of the Chinese bridging document on petroleum and solid minerals. Currently, case studies on UNFC and UNRMS are being conducted. Regarding promotion of the ICE-SRM China, a draft MOU is being prepared and the possibility of to create an integrated plan to establish a global ICE network is being evaluated with the cooperation of other regions and countries.

#### Item 10. Committee on Sustainable Energy 31<sup>st</sup> Session

#### (a) Building a Resilient Energy System parliamentary document

31. This document is being prepared with inputs from all six Expert Groups reporting to the Committee. The current title of the document is "Building a Resilient Energy System: Technical Considerations and Actions for Achieving Greater Energy Security, Affordability and Net-zero in the UNECE Region". The title may get modified. The document includes a series of short, mid and long-term recommendations for UNECE member States on strengthening energy security and resilience. It will recommend the application of UNFC and UNRMS, including the importance of circularity such as Resources as a Service.

32. The draft document was circulated to the Bureau on 24 May. No comments were received. The document will indicate that it was prepared by the Bureaux of all six expert groups.

#### (b) <u>Conclusions and recommendations from EGRM</u>

33. Draft conclusions and recommendations are being prepared for CSE-31. EGRM is invited to submit draft Conclusions & Recommendations. The Bureau in cooperation with secretariat needs to consider what EGRM needs from the Committee to be able to progress its work. The Committee meeting will be held before the rescheduled EGRM-13 meeting so we need to anticipate what might emerge from EGRM-13. The Bureau discussed this.

34. In view of the 2 parliamentary documents that EGRM is preparing for the Committee meeting, the Conclusions and Recommendations can include a focus on UNFC and UNRMS applications for CRMs and Resources as a Service. The Committee's approval for pursuing the availability of socially and environmentally referenced data on CRMs could also be highlighted. Such UNFC and UNRMS-based data is essential for policymaking and attracting ESG-focused and climate-related financing.

#### (c) <u>Resource management session</u>

35. A "modernizing resource management" session is proposed during CSE-31. The proposed focus topics of this session are circularity and resources as a service. This theme was highlighted in the Committee document on "Building a Resilient Energy System". An update on the UNECE CRMs and Climate Finance High-level Round Table that is being organized on 20 September will also be provided. The Session could also be linked to the work of the UN Working Group on Transforming the Extractive Industries for Sustainable Development and feature a number of presentations or interventions on global initiatives with a focus on circularity. Since the audience will be largely non-technical, a high-level picture will be necessary. The Bureau's support in preparing the session and identifying speakers and panellists was invited.

#### Item 11. UNECE Forum on Regional cooperation on enhancing sustainable management and financing for the critical raw materials required for low-carbon transitions

36. In the lead-up to COP27, as part of the broader effort by all the Regional Commissions, UNECE is organizing a Forum on Regional cooperation on enhancing sustainable management and financing for the critical raw materials required for low-carbon transitions. This will build on the post-COP26 event that UNECE and UK jointly convened on 'Future-proofing supply of critical minerals for net zero: Cross-sectoral perspectives' in November 2021 which gathered over 300 experts.

37. The Forum will take place in hybrid format at the Palais des Nations and via Zoom on Tuesday 20 September 2022 from 9:00 to 15:30 hrs. It will bring together high-level policy and decision-makers from Ministries of Economy, Finance, Trade, Industry, Energy and Environment in the UNECE region. Mining and metals industry leaders, financial sector, and civil society representatives will be invited to participate, along with key stakeholders in Sustainable Consumption & Production and Circular Economy.

38. The expected outcome of the event will be to create momentum and advance a set of partnerships that will help develop a robust, sustainability-focused information framework, investment roadmap and business case for the assurance of CRMs, and will eventually help crowd in climate finance and other sources of finance to the field of sustainably managing CRMs.

39. The UN Deputy Secretary-General, the Special Envoy on Financing Sustainable Development and UN Climate Change High-Level Champion for Egypt, and the UNECE Executive Secretary will provide the opening addresses. UNECE Ministers, senior government officials, and representatives from industry, finance and civil society will discuss the main topics in a series of moderated panel sessions focused on:

(i) Climate finance and the need for increased sustainability-focused investments for CRMs, the role of public private partnerships (PPPs) and other climate finance instruments and sources, such as green bonds, in supporting mitigation and adaptation efforts to address climate change;

(ii) Environmental, social, and governance (ESG) compliance in CRM value chains, with an emphasis on policy perspectives, regulatory developments, and the role of collaborative value chain approaches and advanced technologies, including circular approaches in the CRMs sector; and

(iii) How the UNECE region can optimize the management of endowments of natural resources, including CRMs, and how governments, industry, the financial sector, and civil society can cooperate to share relevant social and environmental information and knowledge.

40. Findings from a parallel UNECE event on financing energy technologies to attain carbon neutrality during the morning of 20 September (as part of the 18th session of the Group of Experts on Cleaner Electricity Systems) will also feed into the afternoon session of the Forum.

## Item 12. Education and outreach

(a) <u>Website</u>

42.

41. The website is being updating to make it generic to Sustainable Resource Management. It will include separate pages on UNFC and UNRMS. In addition, a Learning Hub will be added that will include videos and UNFC training events.

#### (b) <u>Conferences in 2022</u>

Documentation: List of events promoting UNFC in 2022-2023 as at 9 June 2022

- Mr. Hari Tulsidas presented/will present on UNFC and UNRMS at the
  - 95<sup>th</sup> anniversary celebrations of GKZ, 1-2 June 2022.
  - 25<sup>th</sup> St. Petersburg International Economic Forum, 15-18 June 2022.
  - Horizon 2020 project SUMEX (SUstainable Management in EXtractive Industries) Workshop on Reporting and Permitting, 22-23 June, Seville, Spain.

43. Mr. Slavko Solar has participated at events in Poland, Berlin and Brussels to promote UNFC and UNRMS.

44. Ms. Teresa Ponce de Leão advised that she will deliver a presentation on UNFC and UNRMS at a conference in Mozambique in August.

#### Item 13. Date of next call

45. The week of 25 July was proposed or end August. The regular availability message will be issued.

## Item 14. Any other business

(a) ISSB Sustainability Standards Advisory Forum and EGRM Engagement

46. The IFRS Foundation (Foundation) issued a call on 30 May inviting nominations of candidates for membership of the Sustainability Standards Advisory Forum (SSAF). Relevant jurisdictional and regional bodies may nominate themselves or another eligible organisation.

47. The SSAF will be established in 2022. The advice of its members will help the International Sustainability Standards Board (ISSB) to develop IFRS Sustainability Disclosure Standards.

48. A number of members of the Commercial Applications WG support the initiative of EGRM requesting a seat on the ISSB Sustainability Standards Advisory Forum. This would give EGRM the opportunity to engage, offer support and help steer ideas and proposals as well as promote the use of UNFC/UNRMS and highlight the activities and progress of the Commercial Applications WG on the use of UNFC for reporting. Such a seat would offer an excellent forum to exchange ideas with the ISSB and potentially help direct future developments of sustainability standards.

49. This participation is well aligned with the idea for the Commercial session that was planned to be organized during EGRM-13. A contact between the UN and ISSB will be essential for the UN to develop an information structure based inter alia on industry reports to assess impacts that global activities and consumption patterns may have on climate change and the achievement of the SDGs as a basis for policy design and promotion. Investors served by ISSB and the SEC depend in turn on such assessments in order to understand the risks and opportunities that coming physical and regulatory changes represent for entity values.

50. Without coherence between the information available through the two channels of reporting (entity and jurisdiction) neither party is likely to excel in their missions as is required.

51. Advisory Forum Members will need to cover their own costs. The deadline for expressing interest is 11 July.

## (b) EFG Representative on EGRM Bureau

52. Mike Neumann advised that this would be his last Bureau meeting and that he is stepping down from the Bureau. The new EFG representative will be advised in due course. The Bureau thanked Mike for his contribution and support of the Bureau and EGRM over many years.

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