Economic Commission for Europe Committee on Sustainable Energy Expert Group on Resource Management Fifteenth session Geneva, 22-26 April 2024 Item 1 of the provisional agenda Adoption of Conclusions and Recommendations

# **<u>DRAFT</u>** Conclusions and Recommendations arising from the fourteenth session of the Expert Group on Resource Management<sup>1</sup>

### Agenda item 2: Opening remarks: Reshaping Resource Management – Embracing Challenges, Prospects, and Innovative Solutions

1. The Expert Group noted the pivotal role of UNFC and UNRMS in addressing contemporary challenges in resource management. The discussions highlighted the need for innovative solutions and international and intergenerational collaboration to integrate these frameworks into national, industry and capital allocation<sup>2</sup> (e.g., lenders, investors, governments through the fiscal system and otherwise, etc) policies effectively. It is recommended that stakeholders actively engage with UNFC and UNRMS to harness their full potential in promoting sustainable development and mitigating climate change impacts, thereby contributing to the attainment of the SDGs.

#### Agenda item 3: Seminar and Workshops: The United Nations Framework Classification for Resources and the United Nations Resource Management System: A catalyst for transforming raw materials management in the United Nations Economic Commission for Europe region and beyond (22-23 April 2024)

2. The Expert Group noted that the seminar and workshops demonstrated the transformative potential of UNFC and UNRMS in managing raw materials across the ECE region and beyond. The shared experiences and insights underscored the versatility of these frameworks in various resource sectors. The Expert Group acknowledged the increasing adoption of UNFC and UNRMS in the ECE region and beyond, and initiatives to support their regional and global implementation. The initiatives include, if needed, fostering collaboration, developing UNFC and UNRMS, facilitating knowledge exchange, and ensuring oversight and assistance to provide the UN tools to optimize resource management for sustainable development.

3. The Expert Group noted the template proposals developed to support DG GROW in application of UNFC by EU Member States under the EU Critical Raw Materials Act, namely templates for strategic projects, national exploration programmes, risk monitoring, and recycling projects. It was emphasized that the template proposals themselves should not overly burden practitioners and remain user-oriented and friendly, with the understanding that the user is the

<sup>&</sup>lt;sup>1</sup> These draft conclusions and recommendations were developed by the Bureau of the Expert Group, in cooperation with the Chairs of the Working Groups, and are not intended to prejudice discussions at the fourteenth session, but rather to provide a draft text that will be updated as the meeting progresses. <sup>2</sup> The term capital allocators is explained in Annex III of the document "Informed Dialogue and Decisions for

Sustainable Development – Adoption of the United Nations Framework Classification for Resources" (ECE/ENERGY/GE.3/2024/10).

custodian of the information. The Expert Group recognized the imperative nature of the template proposals for both the effective implementation of the EU Critical Raw Materials Act and potential adoption of UNFC in EU Member States.

### Agenda item 4: Energizing sustainability: Committee on Sustainable Energy's priorities and resource management matters

4. The Expert Group noted that the Committee on Sustainable Energy's recent activities and decisions are crucial for advancing global sustainability efforts. ECOSOC's endorsement of the UNRMS Principles and Requirements and the proposed application to hydrogen projects are commendable steps towards a unified approach to resource management. The Platform on Resilient Energy Systems solidifies the commitment to a sustainable energy transition. The outcomes of COP28 further emphasize the need for such initiatives.

5. The Expert Group noted that the progress made by the Committee on Sustainable Energy aligns with the broader objectives of the 2030 Agenda for Sustainable Development. The decisions taken can significantly influence the sustainable management of resources and the global energy landscape. The Expert Group recommends continued support for these programs and active contribution to the Committee's upcoming session, ensuring that sustainable energy and resource management remains at the forefront of the Committee's agenda.

6. The Expert Group noted with appreciation ECOSOC Resolution 2023/20 to strengthen the role of the secretariat of ECE in supporting member States in building resilient energy systems and modernizing resource management systems. The Expert Group further noted with appreciation the new P4 Economic Affairs Officer post in the Sustainable Energy Division approved by the General Assembly on 22 December (Resolution 78/253) to be funded by General Temporary Assistance. The post is to support building resilient energy systems and modernizing resource management systems. The Expert Group noted that these two Resolutions were a strong recognition by UN Member States of the value of the Expert Group's work and outputs. In view of the ongoing liquidity crisis this new P4 post is currently frozen. The Expert Group noted that this would impact the deliverables of the Expert Group on Resource Management, notably a publication forecast on UNFC and UNRMS case studies would not be issued and one of the forecasted UNFC and UNRMS workshops would not be held.

### Agenda item 5: Minerals for the energy transition: United Nations Working Group on Transforming the Extractive Industries for Sustainable Development

7. The Expert Group noted the United Nations Working Group on Transforming the Extractive Industries for Sustainable Development as a central coordinating body that is instrumental in integrating the work of the extractive industries within the UN framework and beyond. The Working Group's establishment of a knowledge hub and its role in providing policy advice and technical assistance are pivotal in disseminating good practices and scaling successful initiatives. The Expert Group, being a key stakeholder due to its development and promotion of UNFC and UNRMS, acknowledges the importance of these tools in sustainable resource management.

8. The Expert Group noted the need for enhanced collaboration between the Expert Group and the Working Group to ensure the effective integration of UNFC and UNRMS into the extractive industries. The Expert Group noted the importance of a robust transparency and traceability framework to manage the supply of critical raw materials, which is crucial for the energy transition and the circular economy. The Expert Group also noted the value of the Critical Energy Transition Minerals Toolkit, the Knowledge Hub, and the Framework for Just Transition, all deliverables of the Working Group, in addressing the demand for minerals, sharing best practices, and ensuring an equitable shift towards sustainable practices.

### Agenda item 6: Responsible resource management: Development and deployment of the United Nations Resource Management System

9. The Expert Group noted the comprehensive nature of UNRMS and its alignment with the SDGs. The integration of technologies such as blockchain and Artificial Intelligence (AI) was recognized as a significant step towards modernizing resource management practices.

10. The Expert Group noted the proposal for a trial Critical Minerals Markets Information System by the United Kingdom and acknowledged its potential to enhance market transparency and stability for critical minerals.

11. The Expert Group noted the development of the new ISO standard on Sustainable Raw Materials. The Expert Group recommended liaison with ISO to maintain the relevance and effectiveness of UNRMS.

12. The Expert Group noted the strategic importance of deploying UNRMS to enhance the sustainable management of critical raw materials (CRMs). The case study on the application of UNRMS to CRMs in the United Kingdom (ECE/ENERGY/GE.3/2024/6) provided valuable insights into the practical benefits and challenges of implementing UNRMS at a national level. The Expert Group recommended that the case study be uploaded to the ECE website and widely disseminated. The Expert Group recommended the development of additional case studies and pilot projects to explore UNRMS' capabilities further.

13. The Expert Group noted the work of the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) on traceability and audit sharing was recognized as a key component in achieving these goals. The Expert Group recommended active collaboration with these efforts to enhance the traceability and auditability of resource management processes.

### Agenda item 7: Decision support: Development and deployment of the United Nations Framework Classification for Resources

14. The Expert Group noted with appreciation the work of the Technical Advisory Group to coordinate and support the activities of the Expert Group's sectoral Working Groups.

15. The Expert Group appreciated the UNFC Adoption Group's efforts to identify and address the challenges hindering the widespread implementation and use of UNFC and UNRMS. The document "Informed Dialogue and Decisions for Sustainable Development – Adoption of the United Nations Framework Classification for Resources" (ECE/ENERGY/GE.3/2024/10) highlights the significant opportunity that accelerated UNFC adoption offers in facilitating informed dialogue and decisions in sustainable resource management, over and beyond reporting classified resource quantities and qualities. The Expert Group noted that the document emphasizes the potential of UNFC adoption to support constructive Public-Private Partnerships in resource management.

16. The Expert Group noted with appreciation the eight recommendations developed by the UNFC Adoption Group. These cover communicating the purpose of UNFC, adding metrics that matter, building alliances with standard-setting organisations, supporting strategic use cases and adoption champions, providing a global UNFC adoption support capacity, updating and/or completing the UNFC specifications and enabling digitalization. Estimated resourcing needs and alternative options for resourcing and funding are provided. The document further proposes how each of the recommendations might be implemented, and by whom and when. Key stakeholder groups identified and benefiting from accelerated UNFC adoption for decision support are: Member State entities tasked with resource governance and management, International Centres of Excellence on Sustainable Resource Management, respective industries, and capital allocators, as well as the public at large. The

Expert Group noted that the recommendations are instrumental to the practical application of UNFC and UNRMS in supporting attainment of the SDGs and Paris Agreement and requested the Working Groups to explore application of the recommendations as relevant.

17. The Expert Group noted the work of the Commercial Applications Working Group on the commercial aspects and financial reporting. The Expert Group recommended continued collaboration with financial regulators to ensure that the frameworks of UNFC and UNRMS are effectively integrated into financial reporting practices. The Expert Group recommended exploring additional guidance documents to support the application of these frameworks in commercial and financial contexts, enhancing the transparency and reliability of reporting in the sector. The Expert Group recommended to consider integrating the Commercial Applications Working Group activities with the activities required to explore application of the recommendations of the UNFC Adoption Group. The Expert Group requested the Bureau to explore the modalities for such a new Working Group, including Terms of Reference, name and reporting line, and to submit an update to the Expert Group at its sixteenth session.

18. The Expert Group noted the Competency Working Group's initiatives to refine global competency models and develop role-specific use cases. The Expert Group recommended further collaboration to align competencies with resource management functions and continued development of competency frameworks to support sustainable resource management. The Expert Group requested the Competency Working Group to develop a model how to implement the competency in practice.

19. The Expert Group noted the work of the Social and Environmental Considerations Working Group, emphasizing the integration of UNFC and UNRMS within Environmental, Social, and Governance (ESG) frameworks. The Expert Group recommended developing additional guidelines to assist stakeholders in implementing these frameworks effectively, ensuring that social and environmental considerations remain central to resource management decisions. The Expert Group recommended developing and disseminating case studies and best practices on social and environmental considerations to enhance understanding and adoption of UNFC and UNRMS.

20. The Expert Group noted the G axis Task Force's report, which elucidates the application of Gaxis criteria across resource sectors. The Expert Group recommended the Task Force develops guidance on the uses of the G axis as proposed in the report, thereby supporting informed decisionmaking in resource management and contributing to the sustainable attainment of the SDGs. It also recommended that relevant Working Groups consider whether additional resource-specific guidance is required on how to estimate quantities and assign appropriate G-axis Categories. The Expert Group further requested the Bureau, in cooperation with the Secretariat, to address the related issues raised in the report, namely: develop a brief online summary which lists all relevant UNFC documents for different types of users, update the guidance note on the definition of a project, develop guidance on aggregation, document what provides direct versus indirect evidence for different resources.

21. The Expert Group noted the progress made by the Women in Resource Management Working Group to promote gender diversity and inclusion. It acknowledged the challenges faced by women, particularly in protecting human rights within resource management. The Expert Group noted the fundamental role of human rights as an integral part of sustainable resource management, emphasizing that protecting these rights is essential for the ethical and equitable use of resources. The Expert Group further noted the importance of safeguarding the rights of indigenous populations. The Expert Group recommended continuing efforts to address these challenges and develop a guideline document on policies that support equality and the protection of human rights in all aspects of resource management.

22. The Expert Group noted the Resource Management Young Member Group's significant role in engaging youth in sustainable resource management as well as the role of youth in securing a just energy transition. Developing the Guidebook on Critical Raw Materials Value Chains is a key initiative to educate and involve the younger generation in understanding and managing resources sustainably. The Expert Group recommended further promotion of the Group's activities to foster intergenerational collaboration and ensure that the perspectives of young professionals are integrated into resource management strategies.

23. The Expert Group noted the Minerals Working Group's successful application of UNFC and UNRMS to mineral resources. The Expert Group approved the Bridging Document between CRIRSCO Template and UNFC (ECE/ENERGY/GE.3/2024/5), which has been updated to promote a unified approach to reporting mineral reserves. The Expert Group noted with appreciation the Guidance Note to support application of the Bridging Document. The Expert Group noted the case study on lithium, caesium, and tantalum resources in Manitoba, Canada (ECE/ENERGY/GE.3/2024/12), which exemplifies the practical application of UNFC. The Expert Group recommended the case study be uploaded to the ECE website and widely disseminated.

24. As an outcome of the work and findings of the G axis Task Force, the Expert Group recommended that the Joint UNFC and CRIRSCO Task Force, having completed the Bridging Document between CRIRSCO Template and UNFC, focus its future work on the challenge of identifying probabilistic approaches to the classification of mineral resources and their suitability for future inclusion as methods to apply to the G axis. The Expert Group requested that a report on progress made be presented at the sixteenth session of the Expert Group.

25. The Expert Group noted the work of the Petroleum Working Group. The proposal for a joint UNFC and PRMS financial reporting template marks a significant step towards harmonizing resource classification and financial transparency. The Expert Group recommended the development of this template to enhance consistency in reporting and decision-making processes across the petroleum sector.

26. The Expert Group noted the progress in applying UNFC and UNRMS to renewable energy resources, acknowledging the Renewable Energy Working Group's role in this advancement. The potential for enhanced cooperation with the ECE Group of Experts on Renewable Energy was recognized as a means to further support and optimize the application of these frameworks. The Expert Group recommended fostering closer collaboration to harmonize efforts, share best practices, and develop comprehensive guidelines for renewable energy classification and management, thereby facilitating a sustainable energy transition.

27. The Expert Group noted the work of the Nuclear Fuel Resources Working Group in the integration of UNFC and UNRMS into nuclear fuel resource management. The Expert Group recommended further exploration of these applications through case studies and collaboration with relevant stakeholders to ensure the frameworks' effectiveness and adaptability to the nuclear sector's unique requirements.

28. The Expert Group noted the Injection Projects Working Group's update on the application of UNFC and UNRMS to injection projects, particularly the updated Specifications for the Application of UNFC to Injection Projects for the Purpose of Geological Storage (ECE/ENERGY/GE.3/2024/9). This document is instrumental in guiding the classification and management of injection projects, ensuring they align with sustainable practices and contribute to geological storage solutions. The Expert Group approved this document, recognizing its significance in advancing responsible resource

management and supporting the broader goals of environmental stewardship and transition towards a sustainable energy system based on renewable energy sources.

29. The Expert Group noted the work of the Anthropogenic Resources Working Group in applying UNFC and UNRMS to anthropogenic resources, a key step in promoting sustainable resource management. The Expert Group recommended developing case studies and encouraged further research to expand the application of UNFC and UNRMS, ensuring comprehensive coverage of all anthropogenic resource types.

30. The Expert Group noted the Groundwater Resources Working Group's efforts in advancing the application of UNFC and UNRMS to groundwater resources. The Expert Group noted the feedback from the Public Consultation on the draft Supplemental Specifications for the Application of UNFC to Groundwater Resources and the road map to update the Specifications collectively with all interested stakeholders (ECE/ENERGY/GE.3/2024/7). The Expert Group further noted the importance of incorporating this feedback to ensure the specifications meet the needs of the hydrogeological community and support sustainable groundwater management. The Expert Group recognized that the development of case studies is crucial to demonstrate the practical application of the specifications and foster a deeper understanding of their impact on groundwater resources management.

31. The Expert Group noted the potential of UNFC and UNRMS in classifying and managing hydrogen projects, recognizing the need for international standards. The collaboration with the ECE Group of Experts on Gas and the ECE Group of Experts on Renewable Energy in the framework of the Hydrogen Task Force is crucial for developing these standards.

# Agenda item 8: Building Capacity: International Centres of Excellence on Sustainable Resource Management

32. The Expert Group noted that establishing International Centres of Excellence on Sustainable Resource Management (ICE-SRMs) is pivotal for the global dissemination and deployment of UNFC and UNRMS. These Centres are envisioned to offer comprehensive support, including policy guidance, technical advice, and educational services, essential for stakeholders in sustainable resource management. The Expert Group approved the revised criteria for ICE-SRMs recognition and their Terms of Reference (ECE/ENERGY/GE.3/2024/4). These are critical steps towards formalizing the ICE-SRMs roles and responsibilities. The Expert Group noted the importance of the Terms of Reference and their role in ensuring that ICE-SRMs operate within a clear and structured framework to effectively coordinate global efforts and resources for sustainable resource management initiatives. The Expert Group requested that the revised criteria for ICE-SRMs recognition and their Terms of Reference be submitted to the thirty-third session of the Committee on Sustainable Energy (Geneva, 18-20 September 2024) for review and approval.

33. The Expert Group noted the importance of the ICE-SRMs in disseminating UNFC and UNRMS, and their comparable and coherent use that would still sufficiently be tailored to users' needs. The Expert Group noted with appreciation the ICE-SRMs established in the Russian Federation, Kazakhstan for Central Asia, United Kingdom, and Mexico for Central America and the Caribbean. The Expert Group further noted the progress and/or interest to establish an ICE-SRM in Slovenia for EU countries, in Africa, India and in East and South-East Asia.

34. The Expert Group noted the lack of resources (human and financial) to implement and adopt UNFC and UNRMS at the scale needed. The Expert Group requested the Bureau and the Secretariat to explore opportunities to secure additional extrabudgetary resources, particularly in light of the current liquidity constraints at the UN, as well as for facilitating the Network of ICE-SRMs and

potentially offering the views of the Expert Group and/or UNECE as observers in the ICE-SRMs that are part of the Network and to report on progress to the sixteenth session of the Expert Group.

### Agenda item 9: Enhancing expertise, adoption and implementation: Mandate, governance and work plans for 2022-2023 and 2024-2025 and the evaluation of activities.

35. The Expert Group noted with appreciation the implementation of the work plan for 2022-2023 (ECE/ENERGY/GE.3/2021/3), which has significantly contributed to the development and adoption of UNFC and UNRMS. The Expert Group noted that the progress to implement the work plan for 2024-2025 (ECE/ENERGY/GE.3/2023/3). This work plan focuses on efforts to enhance expertise and foster the adoption and implementation of these frameworks, which are vital for sustainable resource management.

36. The Expert Group noted that its five-year mandate will expire at the end of 2024. The Expert Group recommended requesting an extension of its mandate for five years beyond 2024 to continue its critical work on UNFC and UNRMS. Noting that its Terms of Reference were last updated in 2018, the Expert Group recommended to revise them to reflect its current work plan (ECE/ENERGY/GE.3/2024/8). The Expert Group requested that the mandate extension and revised Terms of Reference be submitted to the Committee on Sustainable Energy at its thirty-third session for approval.

37. The Expert Group noted the challenges of further developing, maintaining and disseminating UNFC and UNRMS, both of which are recommended by ECOSOC for global application by UN Member States. However, the Expert Group has a regional constituency and all non-ECE member States participate in the capacity of observers. The Expert Group therefore recommended to the Committee on Sustainable Energy to consider options for the Expert Group to address this inconsistency and allow all interested UN Member States to be able to participate in decision-making related to UNFC and UNRMS on an equal basis.

38. The Expert Group recommended the introduction of a comprehensive document review and approval process, recognizing its potential to significantly enhance the quality, timeliness, and alignment of the documents related to UNFC and UNRMS, as outlined in ECE/ENERGY/GE.3/2024/3.

39. The Expert Group noted the draft evaluation recommendations to improve the relevance, effectiveness, efficiency, impact, and sustainability of its activities.

## Agenda item 10: Empowering Sustainability: Global Initiatives for United Nations Resource Systems

40. The Expert Group noted that the case studies presented offer valuable insights into the practical application of UNFC and UNRMS across various contexts, underscoring their versatility and impact. The Expert Group recommended the continued collection and analysis of case studies to guide and encourage broader adoption of these frameworks.

41. The Expert Group noted the progress in implementing regular and extrabudgetary projects, acknowledging their role in advancing UNFC and UNRMS. Notable are the European Commission-funded projects (Phase I and II) supporting UNECE member States and the United Kingdom-funded project for UNRMS and circular materials. The Expert Group noted the UN Development Account (UNDA) projects on post-COVID-19 recovery and critical raw materials production for a low-carbon transition. These projects are pivotal for technical assistance, capacity-building, and stakeholder knowledge sharing.

### Agenda item 11: Amplifying the message: Communications, promotion and outreach

42. The Expert Group noted the activities of the Communications Working Group, which highlighted the collaborative efforts with diverse entities to promote UNFC and UNRMS. The Expert Group noted the enhanced cooperation with international organizations.

### Agenda item 12: Election of officers

43. The Expert Group elected the following experts to the Bureau as Vice-Chairs with effect from the close of the fifteenth session for two years until the close of the seventeenth session: XXXX.

44. The Bureau comprises: XXXX.

### Agenda item 13: Other business

45. The Expert Group noted that energy and resource resiliency, including just transition, is a priority for the Committee on Sustainable Energy. This cross-cutting issue requires a holistic and integrated approach. Therefore, future sessions of the Expert Group will integrate more with the other Groups of Experts reporting to the Committee to jointly work on cross-cutting issues,, share best practices, identify common challenges and opportunities, and leverage synergies for sustainable resource management. The objective is to start this approach effective the sixteenth session in 2025.

46. Following discussion and careful review and in light of the expanded scope of application and implementation of UNFC and the development of UNRMS, the Expert Group agreed that its sixteenth session needs to be held over five days, including an educational and training session on UNFC and UNRMS, but with an option to reduce the total number of days commensurate with the required agenda items. The fifteenth session is scheduled to be held in Geneva, 24-28 March 2025.

47. xxxxxxx

### Agenda item 14: Adoption of conclusions and recommendations

48. The Expert Group adopted the conclusions and recommendations.

### Agenda item 15: Adoption of the report and close of the meeting

49. The meeting report was adopted subject to any necessary editing and formatting.