

ANNUAL IMPLEMENTATION REPORT

GENERAL INFORMATION	
Project number and title of the project	ECE-E298 - Improving national capacities of Central Asian countries to harmonize and implement internationally applicable system of classification and sustainable management of energy and mineral resources
Project manager	Charlotte Griffiths (Igor Litvinyuk is Project Manager effective 7 January 2019)
Project duration	1 October 2017 – 30 September 2019
Reporting period covered	1 October – 31 December 2018
Financial implementation rate (in % of total project budget)	10% financial implementation rate. Implementation rate has been low due to difficulty in identifying suitable national experts, receiving timely permissions, and non-familiarity of many experts to the specifics of application of United Nations Framework Classification for Resources (UNFC). The first sub-regional workshop was organized in Moscow, 30-31 May 2019, which has provided more information on UNFC to national experts. Subsequently, the national experts have started working on the preparation of the national assessment reports.
Summary of impact/outcomes	<p>Project activities have been initiated by contact counterparts in member States, in particular towards analysing the current situation in sustainable energy and mineral resource management in Central Asian countries and the use of the United Nations Framework Classification for Resources (UNFC). Identification of appropriate institutions and experts, who could provide inputs for the country analyses and assist in identifying gaps in managing market cyclicity and sustainable resource progression has been done.</p> <p>A sub-regional workshop was conducted in Moscow, 30-31 May 2018, contributing to EA1 “Improved national capacities to develop national system for classification and sustainable management of all energy and mineral resources based on the UNFC”. The event was organized in partnership with the Ministry of Natural Resources and Ecology of the Russian Federation, Ministry of Energy of the Russian Federation, Moscow State Institute of International Relations, Ministry of Foreign Affairs of the Russian Federation and the Not for Profit Partnership for the Promotion of Mining Industries. This project is expected to improve national capacities in dealing with uncertainties in resource management and develop innovative strategies for bringing resilience in the sector.</p>
SDGs and targets project contributed	<ul style="list-style-type: none"> • SDG# 7 - Affordable and Clean Energy – Targets 7.1 & 7.2 - UNFC can be used in many countries for effective management of national resource endowments and socio-economically efficient development of the energy resources needed for sustainable development. • SDG# 9 - Industry, Innovation and Infrastructure – Target 9.4 - UNFC can be used to manage sustainable and efficient processes in resource extraction and adopting cleaner and environmentally sound technologies and industrial processes. • SDG# 11 - Make cities and human settlements inclusive, safe, resilient and sustainable – Target 11.7 - UNFC can be used as an effective tool in by local governments to optimize management of their endowments of energy resources and extraction of energy and valuable materials from residues and wastes within the best practices of a green and circular economy. • SDG# 12 - Ensure sustainable consumption and production patterns – Targets 12.2, 12.5 and 12.6 - UNFC is an international best practice for sustainable management of mineral resources, petroleum, uranium and renewable energy resources. It can be used for management of clean-energy projects like carbon capture and storage. UNFC provides the tools for addressing the issues related to environmental impact and mitigation and can be made part of various sustainability reporting regimes. Sustainability reporting can thus be made more robust with

	<p>linking it to ratios such as production to quantities remaining in ground, which will provide a long-term or project life cycle view of individual extraction projects.</p> <ul style="list-style-type: none"> • SDG# 13 - Take urgent action to combat climate change and its impacts – Target 13.1 - UNFC is applicable and the only system available today for the management of carbon capture and storage projects. UNFC is also applicable for management of mining wastes and residues, which can be used along with recycled water for increasing forest cover in barren areas and thus creating additional carbon sinks.
REVIEW OF EXPECTED ACCOMPLISHMENTS AND ACTIVITIES AS PER PROJECT DOCUMENT	
Expected Accomplishment 1 (EA1)	Improved national capacities to develop a national system for classification and sustainable management of all energy and mineral resources based on UNFC.
Indicators of Achievements for EA1	At least three countries adopted UNFC in the national regulatory framework. The benefits of applying UNFC nationally is being explored in assessment reports and case studies subsequently developed within Main Activities A.1.1 and A.2.1, respectively. These will serve as a basis for development of recommendations for the project countries for adoption of UNFC in their national regulatory framework.
Main Activity A.1.1 Develop five assessment reports on the status of energy and mineral classification systems	Identification of appropriate institutions and experts in Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan to develop assessment reports has been done.
Main Activity A.1.2 Organize one sub-regional workshop to validate the assessment reports and to develop policy recommendations for adoption of UNFC to countries' national regulatory framework.	<p>The sub-regional workshop organized in Moscow, 30-31 May 2018, launched project activities to validate the Terms of References for the assessment reports and for development of policy recommendations for adoption of UNFC in the national regulatory framework of the project countries. This was done in collaboration with the key partners, including the Russian Federation State Commission on Mineral Resources (GKZ) and the Ministry of Energy of the Russian Federation.</p> <p>The work on organizing the sub-regional workshop to validate the assessment reports is in progress: plans are in place to discuss the assessment reports at the UNECE Resource Management Week 2019, Geneva, 29 April-3 May.</p>
Expected Accomplishment 2 (EA2)	Improved knowledge and skill of national stakeholders to apply UNFC for energy and mineral resource projects.
Indicators of Achievements for EA2	At least 10 national experts from each beneficiary country are able to apply UNFC for various sectors. Experts from Kazakhstan, Kyrgyzstan and Uzbekistan have acquired the capacity to apply UNFC in specific projects.
Main Activity A.2.1 Prepare 5 case studies on application of UNFC to energy and mineral resources	This activity was discussed in the first sub-regional workshop organized in Moscow, 30-31 May 2018, and subsequently will be carried out starting from Q2 2019 to Q3 2019. It is intended to discuss and identify the case studies at the UNECE Resource Management Week 2019, Geneva, 29 April-3 May.
Main Activity A.2.2 Organize a concluding workshop to discuss the case studies and follow-up actions to implement policy recommendations on application of the national UNFC aligned systems	Will be organized in September 2019 in Tyumen, Russia. Preparations have started, including discussions with the State Commission on Mineral Resources (GKZ) of the Russian Federation. To be completed.
COMMENTS	
No challenges were encountered in the initiation stage that would necessitate a significant change to project planning and execution, with the exception that the initial uptake was slow due to the non-availability of a large number of experts familiar with resource management and UNFC in the beneficiary countries as well as a delay	

or lack of response to outreach efforts. However, the project foresees significant follow-up to ensure that the benefits to recipient countries are permanently embedded in the national systems and to address the challenges in aligning resource development to the Sustainable Development Goals. A strategy and timeline has been developed for project implementation to end-September 2019 and this indicates that full implementation of the project is possible subject to the national experts adhering to the deadlines given and to the quality of their assessment reports. The discussions with the experts at the sub-regional workshop during the UNECE Resource Management Week 2019 (29 April-3 May) and the status of the assessment reports and identification of case studies will be critical to understanding whether the project can be delivered on time. Hence, an assessment will be made during the week of 6 May 2019 of the status of implementation and whether full implementation is possible by 30 September. Should delays be envisaged that cannot be overcome within the timeframe remaining the donor will be contacted immediately.