

UNECE Expert Group on Resource Classification and UNFC – History and Development

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UN Economic Commission for Europe

- ▶ Economic and Social Council
- ▶ Five UN Regional Commissions
- ▶ UNECE: Europe, CIS, Central Asia, North America, Turkey & Israel
- ▶ Based in Geneva, 56 Governments
- ▶ Mission to foster sustained economic growth and cooperation among member countries
- ▶ Assist countries with transition and developing economies
- ▶ Nine key programmes: economic cooperation & integration, environmental policy, housing & land management, statistics, sustainable energy, technical cooperation, timber, trade and transport

Where does the Expert Group fit in the UN System?





United Nations Framework Classification for Fossil Energy and Mineral Reserves and Resources 2009 (UNFC-2009)

The UNFC, what is it?

- ▶ Umbrella System....
 - ▶ Internationally applicable
 - ▶ Internationally acceptable
- ▶ Harmonization – terminology and definitions
- ▶ Uses numerical codification system
- ▶ Applies to fossil energy and mineral reserves and resources

The UNFC, who for?



- ▶ Global energy and mineral studies
- ▶ Resources management functions
- ▶ Corporate business processes
- ▶ Financial reporting standards

UNFC, how did we get here?

- ▶ 1947 – UNECE issued first coal classification
.....
- ▶ 1992 – Initiated work on UNFC for solid fuels and minerals commodities
- ▶ 1997 – UNFC for Solid Fuels and Mineral Commodities published
- ▶ 2001 – Extension to petroleum and uranium initiated & Ad Hoc Group of Experts formed
- ▶ 2004 –
 - ▶ UNFC extended to include Oil, Natural Gas & Uranium
 - ▶ ECOSOC Resolution 2004/233

UNFC, how did we get here?

- ▶ 2005 – Collaboration with SPE/CRIRSCO
- ▶ 2007 – Mapping Task Force/IASB
- ▶ 2008 – Agreement to assess UNFC 2004 for revision
- ▶ 2008 – New draft version of UNFC released for comment
- ▶ 2009 –
 - ▶ Group of Experts, Geneva March 2009
 - ▶ Group of Experts, Geneva, October 2009
 - ▶ Committee on Sustainable Energy, November 2009
 - ▶ UNFC-2009 issued in final form (currently available in English, French and Russian)

What's been changing?

- ▶ 2005 – New Russian Classification
- ▶ 2006 – Revised CRIRSCO Template
- ▶ 2007 – SPE/AAPG/WPC/SPEE PRMS (SPE-PRMS)
- ▶ 2007 – Updated Canadian Oil & Gas Handbook
(volume 1 including definitions of resources & reserves)
- ▶ 2008 – Revised SEC Oil & Gas Definitions
- ▶ etc

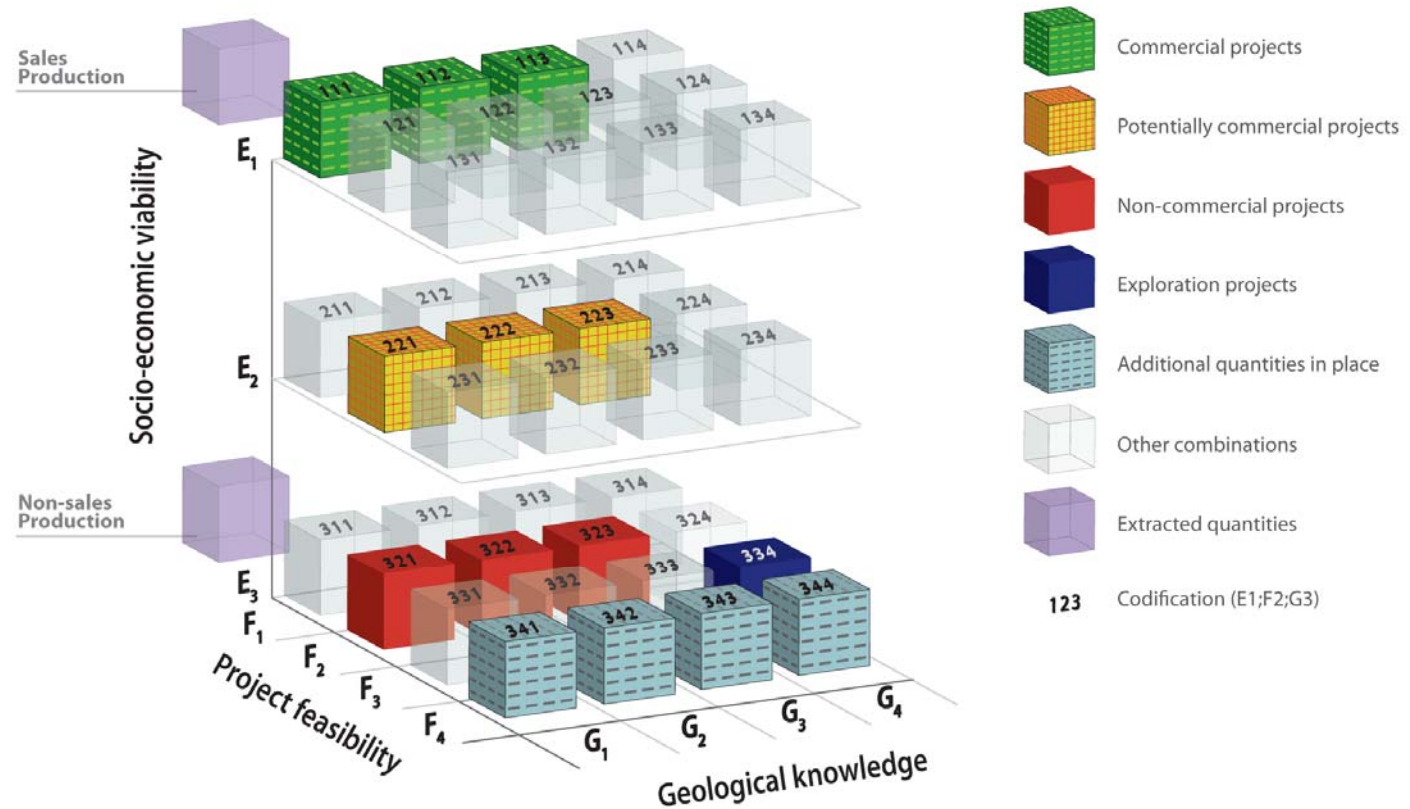
UNFC-2009 Process

- ▶ Revision process resulting in UNFC-2009 comprehensive, inclusive and transparent involving all key global stakeholders
- ▶ UNFC Revision Task Force prepared three documents for 7th Session (Geneva, October 2009):
 - ▶ Revised UNFC-2009
 - ▶ Comprehensive Report detailing UNFC revision process (identifies and discusses 44 individual issues)
 - ▶ Discussion paper on need and/or desirability to develop specifications (rules) and guidelines (best practice) for UNFC

UNFC-2009, Expert Group and Committee on Sustainable Energy

- ▶ ECOSOC Resolution 2004/233 – consistent with, UNFC-2009 simplified, generic and user-friendly
- ▶ Recommended UNFC-2009 to be adopted
 - ▶ Testing and roll-out of UNFC-2009 needed, feedback period every two years
- ▶ Recommended to drop 'ad hoc' and change name to Expert Group on Resource Classification (EGRC)
- ▶ Previous two year mandate expired end 2009. Now five year mandate to 2014

UN Framework Classification for Fossil Energy and Mineral Reserves and Resources 2009 (UNFC-2009)



Expert Group Programme of Work 2010-2011

- ▶ Consider stakeholders' needs for specifications under UNFC and development of specifications in collaboration with CRIRSCO & SPE
- ▶ Facilitate mapping of other classification systems to UNFC-2009 and testing of UNFC-2009 by Expert Group – Technical Advisory Group to be established
- ▶ Support IASB Extractive Activities Research Project
- ▶ Explore how UNFC could be used in classifying injection projects
- ▶ Education and outreach: Communications Sub-Committee
- ▶ UNFC Workshops, Warsaw, June 2010 and Ankara, end-2010
- ▶ Respond to requests from Africa, Asia and Latin America to hold regional events

Conclusions

- ▶ UNFC is a long-term activity, with significant and varied global stakeholder support
- ▶ Umbrella System:
 - ▶ Internationally applicable
 - ▶ Internationally acceptable
- ▶ Harmonization – terminology and definitions
- ▶ Uses numerical codification system
- ▶ Applies to fossil energy and mineral reserves and resources
- ▶ Going forward specifications, guidelines, mapping & testing are key
- ▶ Next session of Expert Group – **Geneva, 6-8 April 2011**



Thank you

UN Expert Group on
Resource Classification

www.unece.org/energy/se/reserves.html