

Opening Remarks

by

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at

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Distinguished Guests, Ladies and Gentlemen,

Good morning.

I would like to welcome you all to Geneva to this gathering of the Expert Group on Resource Classification. We are extremely pleased once again to see this group gather in such numbers and with such enthusiasm! The work you do on the United Nations Framework Classification represents one of the key flagship activities of UNECE. I am very glad that you all recognize its importance.

Your efforts over the past years to develop the documents needed to bridge other systems to UNFC allows projects to be recorded, reported, and analyzed on a comparable basis. Oil, gas, solid minerals, uranium, and thorium documents have all been developed, and the work on renewables is moving forward with the generic specifications now finalized. Significant progress has been made on geothermal and bioenergy, and wind, solar and hydro will follow. UNFC experts are also addressing underground storage projects. These are impressive accomplishments! In the end, we will have a classification system that will bring minerals and **all** primary energy resources under one framework that will enable countries to manage and develop their natural endowments.

Countries around the world that do not have their own capabilities for resource tracking and management are paying close attention to the UNFC. In many cases countries are considering making its use mandatory. Countries with significant primary energy resources such as the Russian Federation and China

continue to explore its application. I am pleased to note the progress made with the Bridging Document between the Russian Federation Oil and Gas Classification and UNFC.

UNFC has moved to an impressive level of activity and dissemination already with very limited existing resources. The stage is set to go even further and to bring a consistent, global process to bear. With the resourcing proposal that is before you we can enable UNFC to achieve its full potential.

But, I have said nothing that you do not already know.

Most of all, I welcome you here as key stakeholders in an industry, the energy industry, that is critical for our future. Ensuring reliable and environmentally responsible supplies of energy at prices that reflect market conditions is a challenge. We must reduce greenhouse gas emissions to avert a climate disaster. We must do this while ensuring the energy needed to support our economies.

Over the last months, we have seen the world turn its attention to climate change, sustainability, clean energy and related topics. Last September, the world's leaders gathered in New York to support the United Nations Sustainable Development Goals. In Paris in December, the world agreed to climate goals set by COP 21 – those are now being signed by individual governments.

One might say our work is done. But as we gather here today, I am sure you agree that we have much work to do.

In this room we all know that 80% of the world's energy is fossil based. I

must note that this awareness is certainly not the case for the public at large.

Even under a climate change scenario that meets a 2° target, fossil energy will still represent 40% of the energy mix in 2050. The system that exists today will persist into the future. We will not arrive at a sustainable energy system if we do not recognize that managing the fossil system properly is at the heart of a coherent response to the challenge.

Strong, reliable and lasting international standards, such as the UNFC are required. We are faced with an enormous task of meeting the SDGs and the climate goals in an integrated manner. The longer we wait to move seriously, the steeper the curve both in terms of cost and in terms of needed carbon reductions. Mobilizing the needed investments with capital, technology, and management skills is made easier if the rules of the game are clear and well understood by all. Engaging all stakeholders in the development of international standards enhances the credibility of the standards and the breadth of their application.

The entire process of debating, developing, and disseminating the UNFC through this sort of public-private engagement has led to efficient outcomes. We consider this group to be an excellent example of how public-private partnerships should function.

Mr. Chairman, Ladies and Gentlemen,

The transition to a sustainable energy system requires energy efficiency

from source to use, minimization of environmental impacts, reduction of energy and carbon intensities, and correction of energy market failures. Better integration of the energy markets of the UNECE region under an efficient framework would significantly improve the essential technical, social, economic, and environmental contribution that energy must make. The work you are doing on elaborating guidance on environmental and social issues for the economic and social axis (the E-axis) of the UNFC ties in directly to this dimension.

Over the long term, UNECE is working in three critical areas in energy:

- reconciling the reality of fossil fuels' enduring share of the energy mix with the need to address climate change,
- enhancing integration of the region's energy markets, and
- facilitating the transition to a sustainable energy system.

I wish you the best success in this meeting over the next three days and look forward to hearing its outcomes.

Thank you for your attention.