

**Establishment of an
International Centre of
Excellence in Moscow
as an institution for
achieving Sustainable
Development Goals.**



RESOURCE MANAGEMENT WEEK 2021
ENABLING SUSTAINABILITY PRINCIPLES IN RESOURCE



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Concept of the Project



- Establishment of a resource investment decision-making centre based on internationally recognized national reporting standards.
- Principles for achieving environmental and energy balance to achieve the Sustainable Development Goals.



Goals of the project



2021

2022

2023

2024

2025

By 2023, enable investment decisions in resource development by the BRICS Bank and other international financial institutions based on national reporting standards integrated into an international framework classification (UNFC).

Creating a classification of carbon footprint sources in order to compare the degree of their impact on the environment.

Project support



Project initiators

- UN Economic Commission for Europe
- Russian Ministry of Natural Resources (Rosnedra, GKZ)
- Moscow State University (MSU)
- EurAsian Union of Experts in Subsoil in Subsurface Management (EUES)

The project was supported by

- Major subsoil users, including GAZPROM and Rosneft, and a number of major Russian banks.
- Expect support from the BRICS bank.



The uniqueness of the project



The establishment in Russia of an ICE-SRM and the implementation of the proposed solutions will, for the first time, allow for interstate cooperation based on national classifications and linking documents with the UNFC between the two:

- EurAsEC and BRICS member countries;
- Financial institutions (Banks, stock exchanges);
- Extractive industries and auditing companies in the field of reserves estimation and financial reporting.

Implementation of the UNFC and UNRMS in EurAsEC countries and will allow

Assess more objectively the resource potential of these countries;

- To enable the creation and development of additional economic and production linkages;
- Increase the energy security of the CIS countries with the formation of important elements of strategic planning.
- Achieving the Sustainable Development Goals in the EurAsEC area.

Further steps:

International cooperation to harmonize approaches in evaluation of mineral reserves and resources



International Scientific-Practical Conference on Harmonization of Approaches in the Assessment of Mineral Reserves and Resources was held on 30-31 May 2018 in Moscow (Russian Federation)

- It was co-organized by UNECE, the Ministry of Natural resources and Environment of Russia, Ministry of Energy, FBO GKZ and Moscow State Institute for International Relations
- Over 250 experts from Russia, Great Britain, Africa, Kazakhstan, Kyrgyzstan, Uzbekistan participated in the conference

There was consensus that:

The UNFC is an appropriate point of departure for a new international initiative to assess projects on their social, environmental and economic benefits and support innovative financing mechanisms. The level of competence of experts should be improved. And the crucial role in this process will be played by partnerships with other countries and organizations

The work carried out in 2019 made it possible to record the following decisions in the resolution of the XXIII session of the Intergovernmental Council on Exploration, Use and Protection of Subsoil Resources (24-27 September 2019, Nursultan City):

- Continue to harmonize the national classifications of mineral reserves of the CIS Member States with each other and with international systems, including the UNFC (United Nations Framework Classification of Resources);
- Explore proposals for the development of a community of experts based on the EUSEC (Eurasian Union of Subsoil Use Experts) across the CIS.

In September 2019, within the framework of the 10th Tyumen Petroleum Forum, a Joint Round Table of UNECE, the Russian Ministry of Natural Resources and the Federal Agency for Subsoil Use was held:

"Developing UNFC and UNSD to enhance the investment potential of BRICS and Central Asian countries" by supporting the establishment of an "International Centre of Excellence for Sustainable Natural Resource Management" (under the auspices of UNECE) to promote UNFC and UNSD in the CIS countries.



Proposals for an international centre of competence in sustainable resource management (ICE)



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Continue work on harmonisation of national classifications of CIS countries with the Russian classification and international systems

- Continue work on the development of case studies of the Linking Document between the UNFC and the Russian classification of HC reserves
- Continue discussions on the establishment in Russia of an International Centre of Excellence for Sustainable Resource Management (ICE-SRM) based on UNFC and Resource Management System (UNRMS) principles
- Support EUES's efforts to establish a unified expert community in the field of subsoil use throughout the CIS, including recommending that experts from CIS countries undergo training and accreditation.
- Develop proposals for improving the NAPs for the creation of a single expert community in the CIS countries

Expected results of the work of the ICE



The decision will make it possible to introduce financial reporting standards based on the UNSD and the Russian classification of hydrocarbon reserves harmonized with the UNFC, to legislate the institution of experts and competent persons in the field of subsoil use, to ensure international recognition of Russian experts, to reduce companies' costs for annual audits of reserves and to increase the reliability of data on the natural resource potential of Russia.

The principal activities of ICE-SRM designed to achieve the above objectives will include

- Multi-stakeholder workshops connecting key institutions in CIS countries to extend the principles of UNFC and UNRMS using the Russian system and its bridging scheme as a conduit.
- High-level consultations with investment banks, development banks (the New Development Bank) and other financial institutions such as stock exchanges in CIS countries and the International Accounting Standards Board (IASB).
- Development of documentation for the Russian system, UNFC- and UNRMS-based reporting codes and application guidelines to attract investments.
- Training courses for Experts/Competent Persons, including a formal recognition procedure.
- Preparing case studies and application scenarios for the assessment of mineral reserves and resources.

Thank you!

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First Vice-Chair, Expert Group on Resource Classification

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Date __ | __ | 2021, Geneva



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