

Note by the Secretariat:

Clarifications and information regarding Memorandum of Understanding under consideration with Guizhou Energy Administration and Guizhou Wujiang Energy Group Item 5(a) of EXCOM 107th meeting on 14 October 2019

Background

A Memorandum of Understanding (MoU) is under consideration between UNECE and Guizhou Energy Administration and Guizhou Wujiang Energy Group in the context of establishing an International Centre of Excellence on Sustainable Resource Management (ICE-SRM) in Guizhou Province, China.

This initiative is at the request of the Guizhou Energy Administration following the discussions on ICE-SRM at the tenth session of the UNECE Expert Group on Resource Management (item 12 of [ECE/ENERGY/2019/1](#)). The MoU would be jointly with both Guizhou Energy Administration and Guizhou Wujiang Energy Group. Guizhou Energy Administration is a state-run body that oversees energy development in Guizhou Province. Guizhou Wujiang Energy Group was established in November 2018 to focus on implementation of the Province's energy strategy, development of a low-carbon, safe and modern energy system, and innovation in energy technologies.

Link to work programme:

Institution of ICE-SRM was set forth under the work plan of the Expert Group on Resource Management. Item N in the work plan for 2020-2021 of the Expert Group focuses on "Support for Implementation of UNFC and UNRMS and Partnerships in Sustainable Resource Management through a Global Network of International Centres of Excellence".

ICE-SRM will build national and regional capacities in countries to apply the United Nations Framework Classification for Resources (UNFC) and the United Nations Resource Management System (UNRMS) to all resources to enhance investment in the resource sector and to accelerate countries' attainment of the 2030 Agenda for Sustainable Development. The principal activities of ICE-SRM designed to achieve these objectives include multi-stakeholder workshops connecting key institutions in countries to extend the principles of UNFC and UNRMS, high-level consultations with investment banks, development banks and other financial institutions such as stock exchanges and the International Accounting Standards Board (IASB), development of documentation, UNFC- and UNRMS-based reporting codes and application guidelines, coordination with key institutions for deploying the resource management mechanism, training courses for Competent Persons, including a formal designation procedure, preparing case studies and application scenarios, and branding, international outreach and communications.

The full text included in the Expert Group's work plan is provided below:

"Item N. Support to Implementation of UNFC and UNRMS and Partnerships in Sustainable Resource Management through a Global Network of International Centres of Excellence

Description: UNFC and UNRMS support the sustainable development of diverse energy, raw material and services sectors in different geographical locations. UNFC and UNRMS users needed to be trained on an ongoing basis and made aware of any changes to the framework and its applications. Subject to the availability of extrabudgetary resources, the Expert Group will

develop capacity-building programmes on UNFC and UNRMS through the potential establishment of International Centres of Excellence.

The Expert Group and the Bureau will provide technical support for the International Centres of Excellence, including regional and national advisory services and international peer review missions to ECE and other United Nations Member States. Initiatives such as “UNFC and UNRMS for Europe”, “UNFC and UNRMS for Africa”, “UNFC and UNRMS for Eurasia and Asia-Pacific”, and “UNFC and UNRMS for Latin America” will be supported through the International Centres of Excellence.

Work to be undertaken: The International Centres of Excellence will be provided technical support for the development of concept notes, detailed project design and in implementation as necessary.

(a) Subject to the availability of extrabudgetary resources, provide technical support for the implementation of regional and national UNFC and UNRMS initiatives;

(b) Subject to the availability of extrabudgetary funds, provide support to the implementation of International Centres of Excellence in Sustainable Resource Management.

Deliverables:

(a) Subject to the availability of extrabudgetary resources, support national and regional initiatives for the implementation of UNFC and UNRMS: April 2020 to ongoing;

(b) Report and update the Expert Group annually on the status of implementation support to International Centres of Excellence for Sustainable Resource Management: April 2020 to ongoing;

(c) Report on extrabudgetary projects to support capacity-building activities undertaken delivered annually to the Expert Group: April 2020 to ongoing.

Timeline:

(a) National and regional capacity building initiatives on UNFC and UNRMS: 2020 and 2021;

(b) Annual reports on the status of support to implement International Centres of Excellence for Sustainable Resource Management: April 2020 and April 2021;

(c) Annual reports on capacity-building activities presented to the Expert Group: April 2020 and April 2021.”

Financial implications:

There would be no financial implications for UNECE should such an MoU proceed.

Governance and Oversight

The text of any MoU will be developed in cooperation with the Bureau of the Expert Group on Resource Management.

The Bureau is developing criteria for who qualifies to become an ICE-SRM as well as standard text for their Terms of Reference. A number of terms will be mandatory for all ICE-SRMs. All ToRs will be reviewed by the Bureau and the Expert Group when it meets annually.

All ICE-SRM established will have their work plans approved by the Expert Group on Resource Management and will report to the Expert Group annually on what they have achieved and what they foresee in the coming period. As the network grows, the reporting may be done on a consolidated basis.

Global context:

ECOSOC Decision 2003/244 invites the Member States of the United Nations, international organizations and regional commissions to consider taking appropriate measures for ensuring worldwide application of UNFC.

China, through its Ministry of Natural Resources has worked together with the Expert Group on Resource Management for a number of years to develop bridging documents between UNFC and the minerals and petroleum classification systems in China. These bridging documents were approved by the Committee on Sustainable Energy at its twenty-seventh session in 2018.

Any ICE-SRM established in Guizhou Province would liaise closely with the Ministry of Natural Resources of China, including to develop case studies and build capacity on the bridging documents.

Network of ICE-SRM

The value of ICE-SRM lies in having a network to be able to share knowledge and experience of what works and what doesn't work in the context of applying and building capacity on UNFC and UNRMs and provide this feedback to the Expert Group on Resource Management. This feedback will be considered during the periodic updates of UNFC and UNRMS and in the development of additional guidance.

In turn, the value of the network will come from the number of robust members that it has. Updating UNFC and UNRMS, development of guidelines for specific applications and circumstances and development of a wide range of case studies will be facilitated by having members around the world. UNFC and UNRMS are global standards that will lead to resource management in line with the 2030 Agenda for Sustainable Development. Given global markets, having global value chains and resource investments aligned with the 2030 Agenda will benefit UNECE member States. Efficient use and development of resources will both enhance their contribution to development and reduce their cost.

Other ICE-SRM are under consideration in the Russian Federation, Europe, Norway, Mexico, Africa, and East and South-east Asia. The exact location of an ICE-SRM is determined by the host country or region.

Further information

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