

**To: Members of the Bureau of the UNECE Expert Group on Resource Classification**

From: David MacDonald and Charlotte Griffiths

Conference Calls of the Bureau of the Expert Group on Resource Classification (EGRC)  
14 January 2016  
MINUTES

Present on 9am GMT 14 January Call:

1. David MacDonald (Chair)
2. Tunde Arisekola (NGSA)
3. Karin Ask (petroleum sector)
4. Roger Dixon (CRIRSCO)
5. Nathan Frisbee *representing* Fatih Birol (IEA)
6. Kjell Reidar Knudsen (Norwegian Petroleum Directorate)
7. Hari Tulsidas (IAEA)
8. Narendra Verma (petroleum sector)
9. Charlotte Griffiths (UNECE)

Present on 3pm GMT 14 January Call:

1. David MacDonald (Chair)
2. David Elliott (financial reporting sector)
3. Gioia Falcone (geothermal sector and academia)
4. John Ritter (SPEE)
5. Jim Ross (petroleum sector)
6. Rawdon Seager (SPE)
7. Charlotte Griffiths (UNECE)

*Observer:*

8. John Etherington (TAG Chair, *observer*)

Apologies:

1. Fatih Birol (IEA)
2. Mucella Ersoy (Turkish Coal Enterprises)
3. Michael Lynch-Bell (Chair ex-officio)
4. Igor Shpurov (First Vice Chair, GKZ Russian Federation)
5. Slavko Solar (European Commission)
6. Adichat Surinkum (CCOP)
7. Danny Trotman (financial reporting)
8. Brad Van Gosen (USGS)

### **Draft Agenda**

1. Approval of draft agenda
2. Draft minutes of Bureau calls of 2 and 3 December 2015
3. Bureau membership
  - elections at EGRC Seventh Session
  - SPE OGRC membership
4. Preparations for EGRC Seventh Session
  - revised draft agenda
  - other documents
  - proposed date for EGRC Eighth Session: 25–28 April 2017

5. Guidance note on competent person
6. Guidance note on definition of a project in relation to UNFC-2009
7. Technical Advisory Group update
8. Update on application of UNFC to nuclear fuel resources
9. Update on application of UNFC to injection projects
10. Update on application of UNFC to renewable energy resources
11. Update on E-axis Sub-group
12. Update on G-axis Review Working Group
13. Resourcing strategy
14. SPE update on status of its review of PRMS
15. Education and outreach
16. Date of next Bureau call
17. Any other business

Documentation:

1. Draft agenda for Bureau Calls on 14 January 2016
2. Draft Minutes of 2 & 3 December 2015 Bureau Calls
3. Revised draft provisional agenda for EGRC Seventh Session
4. TAG Minutes of 11 November 2015 Meeting
5. Revised Resourcing Strategy (version 4, dated 8 January 2016)
6. List of events in 2016–2017 promoting UNFC as at 6 January 2015

**Item 1. Approval of Draft Agenda**

1. The agenda was adopted without amendment

**Item 2. Draft minutes of Bureau calls of 2 and 3 December 2015**

Documentation: Draft minutes of Bureau calls of 2 and 3 December 2015

2. The draft minutes were adopted without amendment.

**Item 3. Bureau membership**

(a) Elections at EGRC Seventh Session

3. Bureau elections will be held at the seventh session to elect a Bureau to takeover at the end of the session. The current Bureau is elected until the end of the seventh session. The current practice is that the EGRC Bureau in office reviews all the nominations received and puts the final list forward to the EGRC for consideration and election at the meeting.

4. A number of member States have recently raised concerns regarding the nomination process for Bureau members and are seeking clarity to ensure that members are not self-nominating. UNECE is currently reviewing internally how this process happens across the board for all Committees and expert groups. It is understood that nominations to all subsidiary bodies currently need to be made by a government. The secretariat is currently working to find a mechanism that could work for the EGRC Bureau which is reflective of all UNFC stakeholders and geography. Currently, a number of Bureau members are nominated by UNECE Governments but not all.

5. Should nominations by governments be the only mechanism possible, the Chairman proposed that a small Bureau could be elected which could then establish a sub-group

comprising all EGRC stakeholders along the lines of the existing Bureau. The EGRC could also consider establishing its own Rules of Procedure regarding Bureau nominations.

6. A note to UNECE member States regarding the upcoming EGRC Bureau elections was circulated on 13 January. This note was forwarded to the Bureau.

7. The Chair requested the Bureau to advise of any nominees to be put forward for election. The list of nominees will be reviewed on the next Bureau call.

(b) SPE OGRC Membership

8. Bernard Seiller from Total is the new Chair of the SPE Oil and Gas Reserves Committee (OGRC). Bernard will therefore takeover from Dan Diluzio as the SPE representative on the Bureau. Dan was thanked for his input and support during his term on the Bureau. A warm welcome was extended to Bernard.

9. Dan Diluzio will now be Bernard's alternate and SPE has requested that Rawdon Seager, who was Dan's alternate, continue to be copied on Bureau correspondence.

**Item 4. Preparations for EGRC Seventh Session**

Documentation: Revised draft provisional agenda for EGRC Seventh Session

(i) Revised draft agenda

10. The revised draft of the provisional agenda for seventh session was circulated with the documents for the call. Changes compared to previous version were highlighted in yellow.

11. Members agreed to the proposal to include an agenda item on "Sustainable Development Goals (SDGs) and Climate Change – the Role of UNFC-2009". Implementation of the SDGs and the climate change agreed reached at COP21 in Paris in December 2015 are the overarching mandates of the UNECE's work on energy. It was noted that the IAEA representative has already undertaken significant work and research on the SDGs which demonstrates that UNFC-2009 delivers on all 17 goals and not only on goal 7 on energy.

12. Under the case studies agenda item, the representative on ONGC advised that case studies have been undertaken in India on UNFC.

13. Any additional comments on the draft agenda are to be submitted to Charlotte by cob 25 January. A final version will then be prepared and submitted for translation by 1 February.

(ii) Other documentation

14. The various EGRC working groups/task forces are working hard on preparing documents and the TAG has started to review draft documents following which it will then submit to the Bureau for final review together with a TAG recommendation.

15. The following is the updated list of documents to be submitted for translation by 15 February:

- Draft guidance on accommodating environmental and social considerations in UNFC-2009

- Revised draft generic specifications for the application of UNFC-2009 to renewable energy resources
- Guidance note on the definition of a project
- Case studies
  - (i) Application of UNFC-2009 to phosphate rock - uranium resources: A case study of the El-Sebaeya Projects, Nile Valley, Egypt
  - (ii) Considerations related to the application of UNFC-2009 to uranium projects and associated resources in Paraguay
  - (iii) A third case study in Mongolia may also be issued.

16. The following English and/or Russian only official documents will be submitted by 5 April:

- UNFC-2009 and Russian Federation petroleum classification of 2013 Bridging Document
- Draft generic specifications for the application of UNFC-2009 to geothermal resources.
- Draft specifications for the application of UNFC-2009 to injection projects.

(iii) Keynote speakers

17. Scott Tinker has been contacted to be the keynote speaker on the Switch Energy Project – either in person or via video link-up. Funding to support his travel has not yet been secured.

18. The Communications Sub-Committee at its call on 15 December proposed that a session should be included in the seventh session on how classification helps in a world with volatile oil, gas and solid mineral prices. A representative from Saudi Arabia, EY or BP could be considered as a potential speaker for such a talk. It was agreed to include such a presentation as one of the keynotes as opposed to including it as a specific agenda item.

(iv) UNFC Workshop

19. A one-day UNFC workshop will be held on 26 April. CRIRSCO and SPE were requested to nominate speakers – the CRIRSCO and SPE representatives on the call agreed to follow-up on this.

(v) UNFC Train the Trainers Workshop

20. A second Train the Trainers workshop will be held during the Resource Classification Week 2016. A time has not yet been set. Options includes the lunch breaks on 27 and 28 April or at 8.30am on 28 April?

(vi) Bureau meetings at EGRC Seventh Session

21. The Bureau will meet for a working dinner on Tuesday 26 April and at 6pm on Thursday 28 April in the meeting room to review the conclusions and recommendations and discuss any issues for inclusion in the meeting report.

(vii) Draft conclusions and recommendations

22. Draft conclusions and recommendations for the meeting need to be prepared and circulated to member States at least 10 days prior the meeting. The Bureau was requested to submit any proposed conclusions and recommendations in writing to the secretariat by 1 February. A draft text will be prepared for future review and discussion by the Bureau.

(viii) Cocktail Reception and Coffee Breaks

23. Subject to sponsors being found, a reception will be held on either on Wednesday 27 or Thursday 28 April. If 27 April is selected the reception would be at 8pm following the SWITCH film screening.

24. The Chair noted that with the current low energy commodity prices obtaining sponsorship could be challenging. He encouraged contributions no matter how small that could then be pooled together. Narendra Verma indicated ONGC could potentially sponsor or co-sponsor the reception and/or coffee breaks.

(ix) EGRC Eighth Session

25. A date needs to be identified for the 2017 EGRC meeting before the end of January in order to secure the room reservation. Bureau members agreed on 25-28 April 2017.

**Item 5. Guidance note on competent person**

26. The Chair advised that the draft guidance note has not progressed to the extent he had hoped. He will engage with the CRIRSCO representative to ensure input is provided in relation to the CRIRSCO Template and circulate a draft text to the Bureau as soon as possible.

**Item 6: Guidance note on definition of a project in relation to UNFC-2009**

27. Jim Ross advised that he is awaiting feedback from CRIRSCO. Once this is received, a draft text will be circulated to the TAG and the Bureau in order to be able to submit the text as an official document for the EGRC seventh session.

**Item 7. Technical Advisory Group Update**

Documentation: TAG Minutes of 11 November 2015 Meeting

28. An update was provided by the Chair and the Chair of the Technical Advisory Group (TAG):

(i) TAG Meetings: A TAG teleconference was held on 5 January 2016. The minutes of the 11 November 2015 TAG call were circulated to the Bureau as part of documentation for the call. The next TAG call is scheduled for the week of 8 February 2016.

(ii) Russian Petroleum Classification Bridging Document: The Russian GKZ submitted a report entitled “Mapping of RF Classification of Reserves to UNFC-2009 by Categories and Classes” on 31 December 2015. The document builds on results of the October 2015 GKZ-TAG working session. There are currently differing opinions in the TAG sub-group that is working on the document. The TAG plans to present a TAG recommended and Bureau approved draft bridging document to the EGRC seventh session by 5 April 2016.

(iii) Bridging Document to Chinese Petroleum Classification: A work session will be held in Beijing in early February with Yang Hua and the Ministry of Land and Resources (MLR) of China. It is the intent of the Chinese to complete a bridging document prior to the 2017 EGRC meeting.

(iv) Bridging Document to Chinese Solid Minerals Classification: Two projects have been approved at the highest level in China regarding solid minerals. The first is to continue with

the bridging and mapping of the Chinese system (CMRRC) to UNFC-2009. Dr. Zhang Dawei of MLR will arrange for Roger Dixon to visit China to progress this project sometime in February. The second project is to develop a CRIRSCO aligned code which would also require bridging and mapping of the existing system to the Template.

(v) Renewables – Geothermal and Bioenergy Projects: The TAG is continuing to engage with and monitor the ongoing work on geothermal and bioenergy and will review the draft documentation prior to submission to the EGRC meeting.

(vi) Consolidated Schedules/Review Process: The TAG Chair has prepared a consolidated timetable of TAG reviews leading up to the 7th EGRC Session. As it is not practicable for the full TAG to review the large volume of detailed reports within the short review periods currently being scheduled, primary TAG project focal points have been identified who will prepare a summary of project reports and highlight key issues for the full TAG review leading to a final recommendation to the Bureau. Typically three weeks should be allowed for a full TAG review but this will not always be possible.

29. The Chair of the TAG and the members were thanked for their continued efforts.

#### **Item 8. Update on application of UNFC to nuclear fuel resources**

30. Work is progressing for the IAEA to publish the Uranium Guidelines as a joint IAEA and UNECE official publication.

31. The eight uranium case studies were issued by UNECE as an electronic publication on 30 December 2015: "Application of UNFC 2009 to Nuclear Fuel Resources – Selected Case Studies" (ECE ENERGY SERIES No. 46). The publication is posted to the UNECE website: <http://www.unece.org/index.php?id=41931> A news article was also issued which is posted to the UNECE home page.

32. Two or possibly three uranium case studies will be submitted as official documents for the EGRC seventh session.

33. The Task Force has started work on a handbook of good practices for uranium and thorium resource management. An IAEA uranium consultation meeting to discuss development of the handbook will be held in Geneva, 25–26 April 2016.

34. The Chair and other members of the Nuclear Fuels Task Force were thanked for their continued hard work.

#### **Item 9. Update on application of UNFC-2009 to injection projects**

35. The Chair of the Task Force is working on addressing the comments received during the public comment that closed on 15 September. A supplemental document to show how all the comments have been addressed is also being prepared. The documents will be submitted to the Task Force for review over the coming days.

36. The revised draft Specifications Document and supplemental report should be available for TAG review in late February 2016 following which they will be submitted to the Bureau.

The TAG recommended and Bureau approved documents will be submitted for the seventh session of the EGRC by 5 April as English-only official documents.

37. The Task Force thanked the Chair and the other Task Force members for their hard work

**Item 10. Update on application of UNFC-2009 to renewable energy resources**

Documentation: Minutes of 12 November 2015

38. The Task Force continues to meet regularly via conference call. The minutes of the 12 November 2015 call were circulated to the Bureau on 15 December.

39. The Geothermal Work Group has progressed its work under Gioia Falcone's leadership and is aiming to deliver the final draft Geothermal Specifications by 5 April. Close collaboration continues with the International Geothermal Association.

40. Good progress is being made by both the Bioenergy Working Group and G-axis Working Group under James Primrose's leadership. The Bioenergy Working Group will present an update on the status of progress on the development of the bioenergy specifications to the EGRC seventh session.

41. The generic renewables specifications are being updated with the comments of the Working Groups and Jim Ross. The document is now under final Task Force review before passing to the TAG, in time for submission to the EGRC seventh session by 15 February.

42. An Integrated Renewable Specifications Timeline including and aligning the four work streams of the Task Force has been prepared.

43. The Chair and the other Task Force members were thanked for their continued efforts.

**Item 11. Update on E axis Sub-Group**

44. On 10 January, the Chair of the Sub-group circulated "Draft guidance on accommodating environmental and social considerations in UNFC-2009" to the Sub-group for comment by 31 January. The document is based largely on the discussion note sent on 7 August 2015, but formulated differently (there is now a list of references, which may be edited or omitted in the final version). It was agreed that the document in its current format should be circulated to the Bureau for comment following the call.

45. Although there is a large literature on and around the topic of "social licence", there is virtually nothing relating to classification. The closest is that of financial institutions that must assess project risk and uncertainty in order to make decisions on loans; this will assist in the necessary development of detailed guidelines.

46. The plan is to submit the document by 15 February so that it can be translated into French and Russian. The draft document will also be submitted to the TAG and the Bureau for review prior to final submission as an EGRC document.

47. The Sub-group is also considering what the final form of the guidance should take since the guidance will apply to all resource types. The Bureau discussed whether it should be a

separate document/publication or part of “UNFC incorporating Specifications for its Application” when it is next updated. The general consensus was that the guidance should be incorporated in the main UNFC-2009 document, embedded with the specifications, when it is next updated.

48. The Chair and Sub-group members were thanked for their continued efforts.

#### **Item 12. Update on G axis Review Working Group**

49. The G axis Working Group (WG) has submitted suggested revisions to the draft Renewable Energy generic specifications with the objective of improving/clarifying the guidance concerning the use of the G axis.

50. A member of the WG advised that the WG had concluded that some of the key issues surrounding the application of the G axis to renewables were sufficiently generic in nature that they would best be addressed within the Renewables Specifications. The WG recommended text changes which have now been incorporated by the Renewables Task Force in its draft and which are currently undergoing a final review by the Task Force before being passed to the TAG for its review. At a commodity-specific level, additional specifications and/or guidelines may still be required, but this approach will ensure a level of consistency in application of the G axis across all renewable energy sources as well as with existing Aligned Systems.

51. The Bureau thanked James Primrose and the other members of the Working Group for their continued hard work.

#### **Item 13. Resourcing Strategy**

Documentation: Revised EGRC resourcing strategy as at 8 January 2016

52. A revised resourcing strategy was circulated as part of the documentation for the call. This revised text incorporates comments from the Resourcing Strategy sub-group members. It was noted that Bureau members did not submit any comments.

53. The text has been submitted to UNECE’s Head of Communications for editing with a view to making the text shorter and sharper. The Executive Secretary of UNECE has undertaken to present the resourcing strategy to potential donors. The shorter text will be circulated to the Bureau when available.

#### **Item 14. SPE update on its review of PRMS**

54. The representative of SPE provided an update on the status of the next revision of the Petroleum Resources Management System (PRMS).

55. The PRMS sub-committee has completed its draft review of the Glossary, which is now being used to draft the text changes to the PRMS. Once a draft revision is complete, the sub-committee will engage the sister societies in a review and revision of the draft. When this revised draft is complete and supported by the SPE Board of Directors, the sub-committee will engage the United Nations and regulators and gather comments. Following this review and update, pending the magnitude of the changes that may require recycle support by SPE and sister societies, there will then be a public comment period. The intent is to provide a



final draft – considering all comments submitted – to the SPE Board for approval in the fourth quarter of 2016, inclusive of having the support of the Boards of the sister societies as well.

56. The membership of the PRMS sub-committee will be provided on the next call.

### **Item 15. Education and Outreach**

#### Documentation:

- List of events in 2016-2017 promoting UNFC *as at 6 January 2016*
- Minutes of CSC call of 27 October 2015

57. The list of events as at 25 November and the Minutes of the Communications Sub-Committee (CSC) Call of 27 October were circulated as part of the documentation for call. A number of events are already planned for 2016 and 2017.

58. A productive CSC call was held on 15 December, during which the CSC discussed plans to start organizing UNFC webinars. The next teleconference of the CSC will be held in February or early March.

#### UNFC Cuba Workshop, Havana, 7-9 December 2015

59. The Workshop was funded by the Norwegian Oil for Development Programme (NORAD) and co-organized by the Norwegian Petroleum Directorate (NPD), UNECE, the Ministry of Energy and Mines (MINEM) of Cuba and the National Office for Mineral Resources (ONRM) of Cuba. It was held in cooperation with the Economic Commission for Latin America and the Caribbean (CEPAL). The event was attended by more than 35 Cuban experts from the solid minerals and petroleum sectors, representing MINEM, ONRM, the National Oil Company of Cuba (CUPET) and a wide range of other Government organizations and enterprises, as well as the private sector and academia. A National UNFC Committee has been established in Cuba to review potential application of UNFC in the country – members of the Committee participated. The Workshop was a highly interactive event with excellent questions that demonstrated a good understanding and knowledge of UNFC by the participants. A series of classroom exercises on UNFC were presented during the workshop that were well received. A [UNECE press release](#) on the event was issued on 10 December.

60. It was proposed that the classroom exercises should be worked into all UNFC Workshops.

61. An abstract will be submitted to the SPE Annual Technical Conference and Exhibition (ATCE), Dubai, United Arab Emirates, 26–28 September 2016.

62. The representative of ONGC advised that a UNFC Workshop could be organized in India back-to-back with a petroleum conference being held in 2016.

63. The representative of CRIRSCO advised that he has submitted an abstract on the relationship of UNFC and the CRIRSCO Template to the thirty-fifth International Geological Congress that will be held in Cape Town, South Africa, 27 August–4 September 2016. It was noted that Sead Davids, Petroleum Agency of South Africa has also submitted an abstract on UNFC. The latter abstract will be shared with the CRIRSCO representative.

64. David Elliott advised that Geoscience Canada is organizing a short training course that will include a focus on UNFC.

65. The Communications Sub-Committee Co-Chairs and the other members were thanked for their work.

**Item 16. Date of next Bureau call**

66. The next Bureau calls are planned to be held during the week of 29 February 2016. The usual availability notice will be circulated.

**Item 17. Any other business**

Update of CRIRSCO Template

67. The representative of CRIRSCO advised that CRIRSCO has started the process to update the CRIRSCO Template. A status update will be provided on the next Bureau call.

68. No issues were raised.

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