

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

From: David MacDonald and Charlotte Griffiths

<p>Conference Calls with the Bureau of the Expert Group on Resource Classification 9am 18 December and 3pm 19 December 2012 (UK time) FINAL MINUTES</p>
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Present on 9am Call:

1. David MacDonald (Chair)
2. Karin Ask (petroleum sector)
3. Leesa Carson (Geoscience Australia)
4. Dan Diluzio *representing* Rawdon Seager (SPE)
5. Roger Dixon (CRIRSCO)
6. Kjell Reidar Knudsen (Norwegian Petroleum Directorate)
7. Grigoriy Malukhin *representing* Yuri Podturkin (Russian Working Group)
8. Jim Ross (petroleum sector)
9. Scott Foster (UNECE) *for agenda item 4 only*
10. Charlotte Griffiths (UNECE)

Observer:

1. Yanis Miezitis (Geoscience Australia)

Present on 3pm Call:

1. David MacDonald (Chair)
2. David Elliott (financial reporting sector)
3. John Ritter (AAPG) *for agenda item 3 only*
4. Jim Ross (petroleum sector)
5. Rawdon Seager (SPE)
6. Tim Smith (SPEE)
7. Hari Tulsidas (IAEA)
8. Brad Van Gosen (USGS)
9. Scott Foster (UNECE) *for agenda item 4 only*
10. Charlotte Griffiths (UNECE)

Observer:

1. Phil Chan (financial reporting sector)

Apologies:

1. Fatih Birol (IEA)
2. Mucella Ersoy (Turkish Coal Enterprises)
3. Michael Lynch-Bell (Chairman Ex-officio)
4. HE Qingcheng (CCOP)
5. Yuri Podturkin (Russian Working Group)

Draft Agenda

1. Approval of Draft Agenda
2. Draft Minutes of Bureau call of 21 November 2012 (as circulated 14 December 2012)
3. Draft Terms of Reference for Technical Advisory Group

4. Review of UNECE Reform of 2005 Update
5. Draft Specifications Public Comment Update
6. EGRC Fourth Session
7. Education and Outreach Update
8. Timing of Next Bureau Call
9. Any Other Business

Item 1: Adoption of the Agenda

1. The agenda was adopted without amendment.

Item 2: Draft Minutes of Bureau Calls of 21 November 2012

2. The draft minutes were approved without amendment.

Item 3: Draft Terms of Reference for Technical Advisory Group

3. The Chair of the Technical Advisory Group (TAG) Task Force joined the call for this agenda item on 19 December only.
4. Revised draft Terms of Reference (ToR) for the TAG were circulated to the Bureau on 17 December, which members noted to be an improved text. There are still a number of key areas of concern within the Bureau including: size of the TAG and whether the proposed membership is too large to be able to respond to requests in an effective and timely manner; resourcing and budget and, in particular, how the travel of members will be funded; the authority (decision-making or otherwise) and mechanism by which the TAG could provide advice; and the tasks of the TAG including for education purposes and to undertake “train the trainer” type events.
5. Regarding the size of the TAG, concerns were raised that a membership of 15 or 16 could make continuity difficult. Concerns were also expressed that the TAG membership was too similar to the current Bureau membership. A proposal was made, which was supported by a number of members, that the TAG should comprise a small core team with a pool of other EGRC experts to call on as and when needed.
6. There were divergent opinions on whether stakeholders should be able to approach the TAG directly or only via the Bureau.
7. One member expressed the view that the meetings of the TAG should not be minuted as the TAG is not a decision-making body.
8. The Chair of the TAG Task Force noted his appreciation for the comments provided and confirmed that the draft ToR will be revised to reflect the Bureau feedback, but only once there is consensus within the Bureau on all issues.
9. The Chair agreed to liaise with the Chair of the TAG Task Force and prepare a revised draft ToR reflecting the consensus opinions of the Bureau.

Item 4: Review of UNECE Reform of 2005 Update

(a) UNFC and EGRC

10. The Director of the UNECE Sustainable Energy Division joined the call for this agenda item and provided an update on the status of the review of the UNECE Reform of 2005 currently being undertaken by the UNECE Executive Committee (EXCOM). The review started some nine months ago and will be completed at the upcoming biennial session of the UN Economic Commission for Europe (Geneva, 9-11 April 2013). As per previous advice to the Bureau and EGRC, it was emphasised that all programmes of work at UNECE are being reviewed. The programme of work on energy carried out by the Sustainable Energy Division (which includes the Expert Group and its work on the UNFC) has been given special attention by the EU. In order to achieve consensus on the future orientation of the energy programme, EXCOM held regular informal energy consultations in 2012. The discussions took place among the representatives of the Permanent Missions in Geneva, who would have received advice from their capital cities. A number of countries have been highly supportive of the UNFC, including Norway, Russian Federation, Turkey, Ukraine and the United States. The informal energy consultations have now come to a successful conclusion. The draft text on the re-oriented energy programme resulting from these consultations was endorsed by the Committee on Sustainable Energy at its annual meeting, 28-29 November and will now be submitted to the UNECE session in April for approval. It was noted that the informal energy text is in draft format and therefore there is still the possibility for changes to be made. It was noted that a copy of the draft re-oriented energy programme text was circulated to the Bureau on 14 December.

11. The Director outlined the three levels that have been defined for the Expert Group in the draft revised energy programme, notably (i) objective, (ii) areas of work, and (iii) concrete activities. The full text is appended below for ease of reference:

Draft text for submission to UNECE 2013 Session for endorsement:

“UN Framework Classification for Fossil Energy & Mineral Reserves & Resources (UNFC)

- (a) **Objective;** Classification of energy and mineral reserves and resources
- (b) **Areas of Work:** UN Framework Classification
- (c) **Concrete Activities**
 - (i) Electronically disseminate UNFC to all major stakeholders by August 2013
 - (ii) Finalizing the generic specifications by December 2013 to make UNFC operational
 - (iii) Develop ideas on how the UNFC could apply to and integrate renewable energy by December 2013.
 - (iv) Develop proposals on how to conduct on-going maintenance, technical advice, guidance and periodic updates to UNFC in order to ensure the system remains relevant, useful, and operates efficiently in light of ongoing technological developments including in the field of carbon capture and storage.”

12. The Director advised that the Expert Group would be expected to develop a plan of action to move the concrete activities as listed in paragraph 11(c) forward.

13. Discussion followed on whether the inclusion of renewable energy was a change of mandate. The Director confirmed that the UNECE review process was intended to refocus

the mandates of the programmes of work, but not to specifically change or modify them. The inclusion of renewables can be seen as an expansion of the work of the EGRC to other areas as appropriate. The EGRC is being requested to consider if and how the UNFC could apply to renewables (by December 2013). However, the approach that might be taken to achieve this and the timeframe for any possible implementation would be up to the EGRC to discuss and agree on.

(b) Draft guidelines on procedures and practices for UNECE bodies

14. It was noted that the draft guidelines on procedures and practices for UNECE bodies developed as part of the review of the UNECE Reform of 2005 was circulated to the Bureau on 14 December. These draft guidelines, which will be submitted to the upcoming meeting of the UNECE (Geneva, 9-11 April 2013) for approval, provide the governance principles for how UNECE subsidiary bodies should operate. If approved in April, the guidelines will apply to all UNECE bodies including the EGRC and will come into immediate effect without a transition period.

15. Discussion then focussed on whether the EGRC might wish to consider developing its own rules of procedure since a number of the principles in the draft text might be unworkable for the EGRC, e.g. how the Bureau is elected and run. Any rules of procedure developed for the EGRC would need to be submitted to the Committee on Sustainable Energy for agreement and then to the EXCOM for endorsement with valid reasons why the guidelines are not appropriate for the EGRC.

16. It was agreed to explore if there is consensus within the Bureau to consider developing rules of procedure for the Expert Group.

Item 5: Draft Specifications Public Comment Update

17. The Chair of STF-2 noted that seven comments had been received to date and that these are posted to the UNECE website. The comments largely provide opinions on the broader application of the UNFC.

18. The continued efforts to promote the public comment period were summarized:

- (a) A brief overview of the draft specifications was presented to the meeting of the SPEE European Chapter, London, 3 December. SPEE concerns regarding what it sees as duplication in the generic specifications were discussed.
- (b) Details of the public comment were provided in the SPEE Newsletter (edition November 2012), as well as a link from the SPEE website.
- (c) A reminder message was sent to the full EGRC mailing list on 6 December.

19. The Chair sought advice as to when SPE comments on the draft PRMS Bridging Document can be expected. The representative of SPE advised that the draft specifications had recently been discussed by the SPE and re-confirmed that comments will be forthcoming and that these will be provided directly to the STF-2. The representative of SPEE also indicated that comments will be submitted by SPEE.

Item 6: EGRC Fourth Session

(a) Draft Agenda

20. The Chair noted that the draft annotated agenda was circulated on 14 December. The document needs to be finalized by 23 January to allow for formatting and editing prior to the submission deadline of 28 January.

21. The Chair advised that during the Communications Sub-Committee (CSC) call on 17 December, the CRIRSCO representative had requested that “review of the CSC Mandate” should be included on the agenda for the EGRC April meeting, in particular to address who are the UNFC stakeholders and who is the audience for the CSC. The Chair proposed that this could be included in the update provided to the EGRC by the CSC Chair. The representative of SPEE during the same CSC call also requested that an update be provided on the uranium ‘Red Book Classification System’ and how it works. The IAEA representative agreed to cover this during his presentation at the EGRC fourth session.

22. No comments were provided on the draft agenda.

(b) Detailed Timeline

23. The Chair noted that the draft detailed timeline was also circulated on 14 December. He further noted that in view of the specifications being the priority agenda item for the meeting almost five hours of meeting time had been allocated to this topic.

24. Feedback on the detailed timeline included an appreciation that it had been structured so that the decisions were not all being taken on last day of the meeting. It was noted that the detailed timeline was likely to change between now and the session, however the amount of time allocated to each agenda item would remain approximately the same.

(c) Other Documentation

25. Other documentation that it is anticipated will be submitted as official documentation for the session, with a finalization deadline of 7 February, includes:

- (i) Draft Specifications document
- (ii) Draft Specifications report
- (iii) TAG document
- (iv) Communications Sub-Committee report
- (v) Nuclear fuels bridging document

26. Whilst an official document will not be prepared on the work on injection projects, a presentation on the recent activities of the Task Force on Recipient Reservoirs will be delivered during the meeting.

27. Following discussion, it was agreed that the draft provisional agenda and detailed timeline should be recirculated to the Bureau by email with a request for comments and/or approval of the documents by 14 January 2013. The Chair emphasized the need to review the draft provisional agenda and detailed timeline carefully to ensure that all members are in agreement with the individual agenda items proposed and the time allocated to each. Bureau members were requested to respond with any suggestions for alteration by 14 January if they have any concerns with the current agenda.

Item 7: Education and Outreach Update

28. It was noted that the Communications Sub-Committee held a conference call on 17 December 2012. The Chair advised that a presentation on the UNFC has been delivered on average every two weeks during 2012.

29. An update was then provided on recent and future events – this update was only provided on the call on 18 December due to time constraints on the 19 December call.

(a) Recent events

- (i) PETEX 2012, London, 20-22 November: it was noted that UNFC CD-ROMs and leaflets were made available on the AAPG stand and that these had generated interest from participants.
- (ii) UNECE Committee on Sustainable Energy, Geneva, 28-29 November 2012: the Chair Ex-officio delivered an update on the UNFC and the work of the EGRC.
- (iii) SPEE European Charter Meeting, London, 3 December: the Chair of the STF-2 provided an update on the draft UNFC specifications public consultation.
- (iv) InterEnerStat 5th Meeting, Paris, 4-5 December: an update was provided on the UNFC, following which interest was expressed in the potential application to renewable energy resources.
- (v) IAEA International Training Course on “Uranium production from phosphate rocks”, Amman and Aqaba, Jordan, 10-14 December: a session on the UNFC was included. The Jordan Atomic Energy Commission is potentially considering adopting the UNFC as national system. In Jordan uranium is associated with oil shale offering a good example of comprehensive extraction for which the UNFC could be of value.

(b) Future events

- (i) 24th Colloquium of African Geology, Addis Ababa, 8-14 January 2013: the UNFC abstract was accepted and a presentation on 10 January will be delivered by a representative from the Ministry of Energy and Mineral Development of Uganda.
- (ii) UNECE Working Party on Gas, Geneva, 22-23 January 2013: the secretariat will provide an update on the UNFC.
- (iii) Black Sea and Caspian Energy Conference, London, 14 February 2013: a presentation on the UNFC may be delivered.
- (iv) EuroGeoSource Congress, Brussels, 12 March 2013: the Chair of STF-2 has been invited to speak.
- (v) Hanson Wade, European Unconventional Reserve Estimation Conference, London, 12-15 March 2013: the Chair is currently due to present on the UNFC but will explore finding an alternative speaker from the EGRC. A post-event Workshop on the application of PRMS and UNFC to Unconventional Reservoirs will be held on 15 March.
- (vi) 75th EAGE Conference & Exhibition incorporating SPE EUROPEC 2013, London, 10-13 June 2013: the Chair noted he had been invited to speak on the UNFC.
- (vii) IAEA-CYTED-UNECE Workshop on “United Nations Framework Classification – 2009 (UNFC–2009) applications in uranium and thorium resources: Focus on Comprehensive Extraction”, Santiago, Chile, 9-12 July 2013: a number of UNFC-related presentations will be delivered.
- (viii) Joint AAPG/SPE/SEG Unconventional Resources Technology Conference, Denver, 12-14 August 2013: it was noted that the Communications Sub-Committee had agreed this was not the right forum for a presentation on the UNFC.

- (ix) SPE Petroleum Reserves Workshop, Bogota, Colombia, 4-5 September 2013.
- (x) SPE Applied Technology Workshop (ATW) on the PRMS Applications Document, Dubai, United Arab Emirates, 22-23 October 2013.
- (xi) UNFC Workshop, New Delhi, India: this event has been postponed and will be rescheduled based on advice from the Indian Ministry of Mines.

(c) Others

30. The SPE representative advised that an SPE ATW for PRMS would be held in Houston in September or October 2013. At the request of the Chair, he agreed to deliver a brief update on the UNFC at this event.

31. It was noted that the Chair had written an Expert Opinion “Comparable energy reserves and resources – why we should care” which was posted to the UNECE website on 5 December 2012 for a week as part of a new UNECE initiative to raise the profile of the work of UNECE and its experts. Members were encouraged to read this Opinion and to consider submitting their own texts on any issue related to resource classification.

Item 8: Timing of Next Bureau Conference Call

32. It was agreed that the next Bureau call will be held during the last two weeks of January 2013. An availability message will be circulated as per usual practice.

Item 9: Any Other Business

33. No issues were raised.
