DEPARTMENT OF ECONOMIC AND SOCIAL AFFAIRS
STATISTICS DIVISION
UNITED NATIONS

SEEA Revision
Issue 11
Cover Note

_____

Cover Note

Issue #11: Categorization of mineral and energy resources

Outcome paper for global consultation

Outcome Paper Issue #11: Categorization of mineral and energy resources

Issue description

The SEEA-2003 provides a categorization of energy resources based on the geological and economic characteristics of the deposits, into proven, probable and possible. This categorization is based on the McKelvey box. More recently, the United Nations Framework Classification for Fossil Energy and Mineral Resources (UNFC) - a new classification for energy and mineral resources - was endorsed by the United Nations Economic and Social Council (ECOSOC) which recommended its application worldwide. The UNFC, in addition to the geological and economic characteristics of the deposits, introduces a third dimension, which is linked to the project feasibility. Should the SEEA develop a categorization of resources in line with the UNFC?

Background

Mineral and energy resources are a particular focus of the System of Environmental and Economic Accounts (SEEA) from a number of perspectives. The flows of energy resources are of particular interest in the measurement of physical flows of energy and associated efficiency measures. In the asset accounts of the SEEA there is particular interest in understanding the extent of available mineral and energy resources and associated measures of depletion of these resources.

In this latter context the SEEA-2003 provides a categorization of mineral and energy resources based on the geological and economic characteristics of mineral and energy resource deposits. As part of the SEEA Revision process it was recognized that the development of the UNFC should be taken into consideration. The primary question is the extent to which the revised SEEA should adopt a categorization of mineral and energy resources in line with the UNFC. This issue is considered in the first part of the outcome paper.

The second part of the outcome paper considers the related but separate issue of the classification of mineral and energy resources by type of resource. The paper introduces some suggested classes intended for inclusion within the broader revised SEEA asset classification. As this broader classification has not yet been finalized no specific recommendation is made on the suggested classes but initial feedback is sought at this stage.

Summary of outcomes

Overall, the paper recommends that the revised SEEA align its categorization of mineral and energy resources with the UNFC-2009. Three recommendations and one question seeking feedback are proposed for comment. They are:

Recommendation 11.1: That in the revised SEEA the categorization of mineral and energy resources should be based on the UNFC-2009 with particular focus on the criteria concerning economic and social viability (E) and geological knowledge (G).

Recommendation 11.2: That the scope of mineral and energy resources included in the asset boundary of the revised SEEA should be Known deposits, consisting of Commercially Recoverable Resources (Class A) or Potentially Commercially Recoverable Resources (Class B) and Non-commercial projects (Class C).

Recommendation 11.3: That deposits classed as Commercially Recoverable Resources (Class A) or Potentially Commercially Recoverable Resources (Class B) must have a geological knowledge rating of G1 or G2.

Question 11.4: Do you have any comments or feedback in relation to the suggested classes for the classification of mineral and energy resource by type of resource as presented in Table 2 of the outcome paper?

Questions

1. Do you agree that in the revised SEEA the categorization of mineral and energy resources should be based on the UNFC-2009 with particular focus on the criteria concerning economic and social viability (E) and geological knowledge (G)?

2. Do you agree that the scope of mineral and energy resources included in the asset boundary of the revised SEEA should be Known deposits, consisting of Commercially Recoverable Resources (Class A) or Potentially Commercially Recoverable Resources (Class B) and Non-commercial projects (Class C)?

3. Do you agree that deposits classed as Commercially Recoverable Resources (Class A) or Potentially Commercially Recoverable Resources (Class B) must have a geological knowledge rating of G1 or G2?

4. Do you have any comments or feedback in relation to the suggested classes for the classification of mineral and energy resource by type of resource as presented in Table 2 of the outcome paper?

5. Any other comments?

To submit responses to these questions please complete the accompanying comment form available on the website. You are encouraged to submit a short response to the questions (yes/no/no comment) even if you have no further comments to submit.

Deadline for responses: 24 December 2010