

**UNOFFICIAL
TRANSLATION**

Sultanate of Oman



**Ministry of Environment
& Climate Affairs**



**Regulations for the Approval of
Clean Development Mechanism (CDM)
Projects under the Kyoto Protocol**

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Ministry of Environment
& Climate Affairs

*Regulations for Approval of Clean
Development Mechanism (CDM)
Projects under the Kyoto
Protocol*

*Regulations for the Approval of Clean Development
Mechanism (CDM) Projects under the
Kyoto Protocol issued by the
Ministerial Decision No. (30 / 2010)
and Amended by the
Ministerial Decision No. (53/2013)*

- Based on Royal Decree No. (119/1994) regarding the approval of the accession of the Sultanate of Oman to some international Conventions,
- And Royal Decree No. (114/2001) issuing the Law of Conservation of the Environment and Prevention of Pollution,
- And Royal Decree No. (107 / 2004) ratifying the Kyoto Protocol to the United Nations Framework Convention on Climate Change (UNFCCC),
- And Royal Decree No. (18 / 2008) specifying the responsibilities of the Ministry of Environment and Climate Affairs and approving its organizational structure,
- And Ministerial Decision No. (30/2010) issuing the Regulations for the Approval of Clean Development Mechanism Projects under the Kyoto Protocol,
- And the approval of the Ministry of Finance,
- And according to the requirements of public interest.

It is Decided

- Article (1):** The attached amendments to the referred to Regulations for the Approval of Clean Development Mechanism Projects under the Kyoto Protocol shall be made.
- Article (2):** All that contrary or contradicting the provisions of this Decision shall be cancelled.
- Article (3):** This Decision shall be published in the Official Gazette and shall enter into force on the day following the date of its publication.

Mohammed bin Salem bin Said Al Toubi
Minister of Environment and Climate Affairs

Issued on: 26 Jumada Al Awla 1434 AH
C. T.: 7 April 2013

*Regulations for Obtaining Approval
for Clean Development Mechanism (CDM)
Projects under the Kyoto Protocol*

Article (1): The following words and expressions shall have the meaning set against each of them unless otherwise stated:

- a. **The Ministry:** The Ministry of Environment and Climate Affairs.
- b. **The Minister:** The Minister of Environment and Climate Affairs.
- c. **The Concerned Directorate:** The Directorate-General of Climate Affairs.
- d. **The Convention (UNFCCC):** The United Nations Framework Convention on Climate Change signed in 1992 and ratified by the Sultanate of Oman in accordance with Royal Decree No.(119/1994)
- e. **The Protocol:** The Kyoto Protocol attached to United Nations Framework Convention on Climate Change (UNFCCC) adopted at the Convention's 3rd Session of Conference of the Parties in the city of Kyoto in Japan in 11 December 1997.
- f. **Clean Development Mechanism (CDM):** A flexible mechanism referred in Article 12 of the Kyoto Protocol and designed to allow Annex 1 countries to commit investment in projects that reduce GHG emissions in developing countries in compliance with sustainable development criteria.

- g. **Greenhouse Emissions:** Gaseous elements that constitute the atmosphere and emitted from human activities and that absorb infrared rays and emit them back to the atmosphere and that are listed in Annex A of the Protocol and in the Annex attached to these Regulations.
- h. **State Parties of Annex 1:** State Parties of Annex 1 of the Convention and Annex B of the Protocol.
- i. **Project:** An activity within Clean Development Mechanism (CDM) projects proposed or existing under the Kyoto Protocol and according to its requirements.
- j. **Clean Development Mechanism (CDM) Executive Board:** The Executive Board that supervises Clean Development Mechanism (CDM) referred to in Paragraph 4 of Article 12 of the Protocol.
- k. **Emissions:** The release of greenhouse emissions (gases) into the atmosphere.
- l. **Project Additionality:** The additional incentive of greenhouse emission reductions achieved by a project added when planned reductions would not occur.
- m. **Project Approvals which shall include:**
 - . **No Objection Letter (NOL) :** A preliminary approval issued by the Concerned Directorate in the Ministry which shall include the conditions allowing the Project Owner / Developer to finalize the procedures for the preparation of Project Design Document (PDD) and obtaining the approvals of other concerned authorities. The NOL shall be valid

for one year which could be renewed for the same period.

- **Letter of Approval (LOA):** The approval for project implementation issued by the Concerned Directorate which shall include the conditions allowing the Project Owner / Developer to finalize the procedures for implementation in the Sultanate according to the terms and conditions of the Kyoto Protocol and the CDM Executive Board.

Article (2): The Concerned Directorate in the Ministry shall be the Designated National Authority (DNA) authorized for the assessment and issuance of project approvals.

Article (3): The Project Owner / Developer shall submit an application for project approval to the Concerned Directorate in the Ministry on the standard application format developed by the Ministry along with the requisite documents.

Article (4): The Concerned Directorate in the Ministry shall, together with its other functions, carry out the following project tasks:

- a. Review and assess project approval applications to make sure about the submission of requisite information and documents.
- b. Conduct field visits and inspection of the proposed project sites to verify the compliance of environmental conditions in order to issue a preliminary NOC to the particular project.
- c. Make sure that the project meets the Oman's

Sustainability Development Criteria and help in transferring environmentally friendly techniques to the Sultanate of Oman.

- d. Collect and preserve project data in a special database of the Ministry.
- e. Encourage the concerned authorities to implement projects in the relevant sectors.
- f. Issue approvals for projects.
- g. Approve participation in projects.
- h. Prepare procedures and criteria for the assessment of project activities and their contribution in achieving sustainable development in the Sultanate of Oman.
- i. Adopt project documents that establish the criterion of project additionality.

Article (5): The Concerned Directorate in the Ministry shall issue a preliminary NOC to the project which is in compliance with environmental conditions on the basis of the information submitted and outcomes of suitability of the project site.

Article (6): The Project Owner / Developer must inform the Concerned Directorate in the Ministry regarding the implementation of stipulated environmental conditions as Referred above in Article (5) in order to issue the project approval letter by the Concerned Directorate.

Article (7): The Project Owner / Developer must collect and preserve entire data, information and reports of the project and

provide unrestricted access to Ministry inspectors at anytime and make available these records at project site.

Article (8): The Ministry will set up a website for the National Designated Authority (DNA) for CDM projects to provide information and instructions along with the relevant regulations to the Project Owners / Developers.

Article (9): The project owner/developer shall submit the required reports and information to the concerned Directorate of this Ministry after registering his project with the Executive Board of the Clean Development Mechanism under the Kyoto Protocol. The required reports shall include a copy of the Certificate of Registration of the project with Executive Board, Copies of the Certificates of Certified Greenhouse Gas Emission Reduction (CER) of the project on annual basis for the entire project life along with Certified invoices and documents submitted which indicate the total revenue earned from the sale of the CERs in Euro per ton in the global market to the Ministry's Concerned Directorate.

Article (10): An annual financial fee be collected against the issuance of a Letter of Approval (LoA) for the implementation of the project. The fee to be calculated on the basis of implementation of the Clean Development Mechanism (CDM) projects under the Kyoto Protocol in the Sultanate according to the following table:

No.	Particulars	Percentage of the Annual Financial Fee from the total Revenue earned from the Sale of Certified Greenhouse Gas Emissions Reduction (CER) in Euros
1	Large-scale projects that reduce their average annual emissions by (150) one hundred and fifty thousand tons or more.	17%
2	Small-scale projects that reduce their average annual emissions by less than (150) one hundred and fifty thousand tons.	15%
3	Priority projects related to the development and use of renewable energy, improvement of energy efficiency and reuse & recovery of methane from waste sanitary landfills sites.	3%

Article (12): The owner/developer of the project shall commit to sell the Certified Greenhouse Gas Emissions Reduction (CER) at the highest possible price in the global market and deposit the financial fee according to the Article (10) of these Regulations in special account for such type of projects with the Ministry during a period not exceeding (45) forty-five days from the date of sale of such certificates.

Article (13): The Ministry shall take the necessary action in coordination with the concerned authorities in case of the project owner/developer violate the provisions of Articles (9), (10), (11) and (12) of these Regulations or submit the false or misleading information. The Ministry shall collect the difference in financial fee for the project according to the real price for the sale of the Certified Greenhouse gas Emissions Reduction (CER) in the global market along with penalty or administrative fine not exceeding Two Thousand Omani Rials which shall be two times in case of replication.

Article (14): Without prejudice to any severe penalty provided for by the referred to Law of Conservation of the Environment and Prevention of Pollution or any other law, anyone who violates the provisions of this Regulations shall be punished with a fine not exceeding five thousand Omani Rials.

The Project owner shall apply to the Concerned Directorate with a request to cancel the Letter of Approval (LoA) issued to the project accompanied by evident documents in case of unsuccessful to register his project with the Executive Board of the Clean Development Mechanism under the Kyoto Protocol. The Ministry's Concerned Directorate shall check the accuracy of such information and shall then cancel the letter of approval without payment of any financial fee with notification of the competent authorities.

Article (11): The Ministry's Concerned Directorate shall take the following procedures to collect the financial fee referred to in Article (10) of these Regulations:

- a. The Concerned Directorate shall request to submit a Letter of Intent ensuring its commitment to pay the project's financial fee on an annual basis for the entire project life to a special account for the Clean Development Mechanism (CDM) projects under the Kyoto Protocol with the Ministry in case of the project owned by the Government Agency.
- b. The Concerned Directorate shall request to submit a Five Thousand Omani Rials Bank Guarantee to all projects which is to be renewed annually for the duration of the project life, and to submit a written undertaking to pay the annual financial fees for the entire duration of the project to a special account for the Clean Development Mechanism (CDM) projects under the Kyoto Protocol with the Ministry in case of project owned by the Government and Private owned companies.

Attached Annex

Greenhouse Gases:

- Carbon Dioxide (CO₂)
- Methane (CH₄)
- Nitrous Oxide (N₂O)
- Hydroflorocarbon Compounds (HFCs)
- Perfluorocarbons (PFCs)
- Sulphur Hexafluoride (SF₆)