



قطر للبترول
Qatar Petroleum

LESSONS LEARNED FROM AL-SHAHEEN (ALS) OIL FIELD, GAS RECOVERY AND UTILIZATION PROJECT

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Introduction

- The global emission contain huge quantity of CO_{2e} for which UNFCCC Parties has committed to reduce its effect on our existence.
- This subject has become a priority on each country agenda therefore, we have to contribute in this global Emission Reduction demand.
- Qatar Petroleum was the pioneer within the GCC to participate effectively by implementing the first and largest Project in the region.



Keys of Consideration

- **Will the Project contribute to sustainable development?**
- **Will Project implementation produce greenhouse gases emission reduction which is real, measurable, and additional?**
- **Whether the Project Carbon Credit CERs can be effectively helpful to determine the decision impact in order to proceed with the Project?**

Al-Shaheen CDM Project “Experience”



Keys of consideration (Application to ALS)

- **Contribution to sustainable development**
 - Reduction of air pollution and other environmental impacts associated with flare reduction.
 - Provision of employment, especially during construction phases.
 - Production of additional State's energy capacity (i.e. electricity) by using less polluting sources.
- **Real, measurable and additional emission reductions**
 - Reduction in flaring of associated gas will result in measurable emission reductions.
- **Impact of evaluated and expected CERs revenue.**
 - The CERs help to stimulate investments in flare reduction Projects.

Relevant Issues

- **Project activity – clear and concise description of what constitute the Project activity, including Project boundary.**
- **Project Participants – Decision on whether the Project be developed unilaterally or in partnership with a participant from an Annex I Party.**
- **Application of approved Baseline and Monitoring Methodology – Can any of the approved methodologies by UNFCCC-CDM EB be applied to the Project activity?**
- **Appropriate Baseline Scenario and Monitoring Plan.**

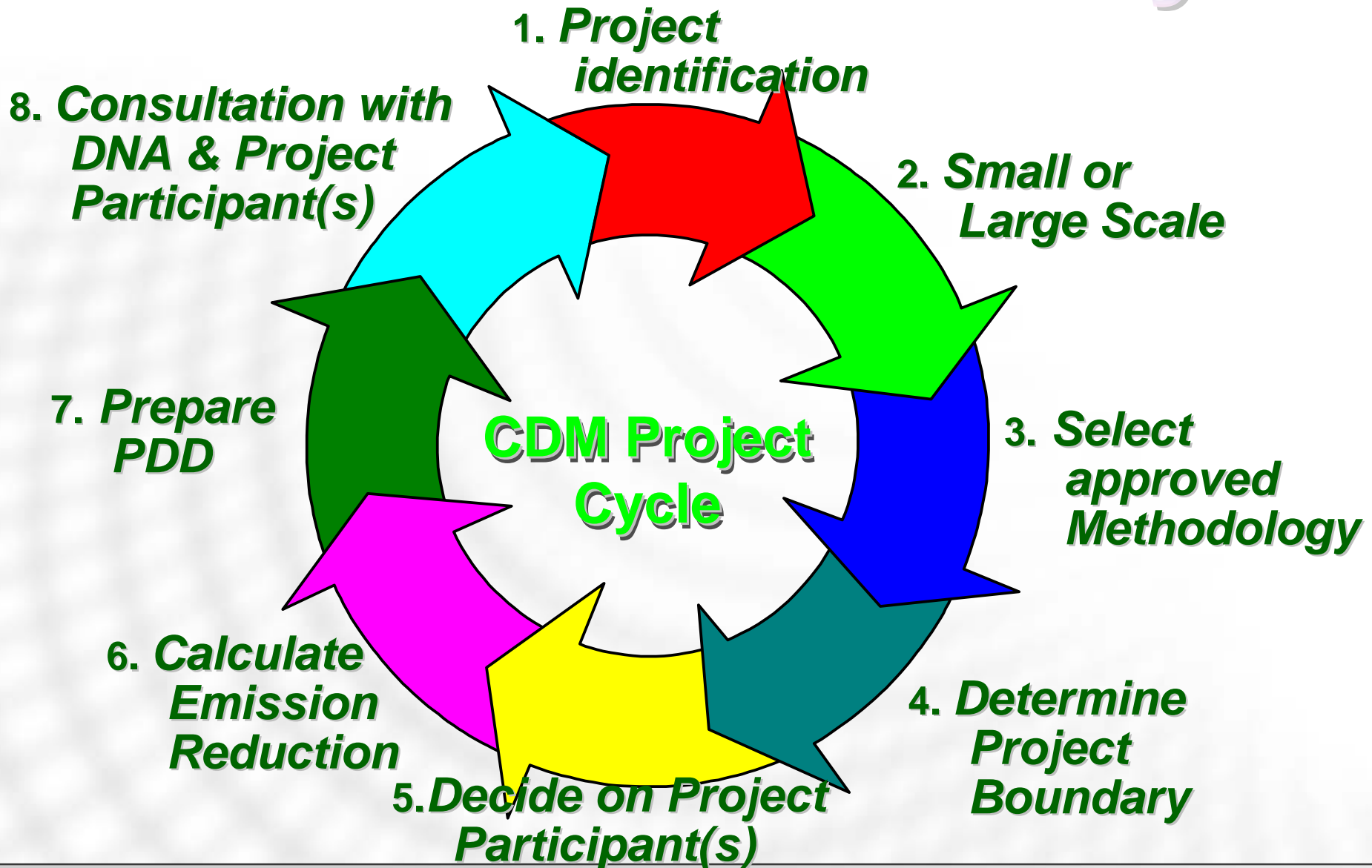


Relevant Issues for (ALS)

- The considerations given by QP to the relevant issues listed in the previous slide, are discussed briefly in the next few slides that take (ALS) Project through the entire CDM Project Cycle.

Al-Shaheen CDM Project "Experience"

Action/Decision Cycle





(ALS) – Project Identification

- The (ALS) oil field has flared associated gas since the oil field began operations in 1994
- With the CDM advantages, the opportunity to recover and utilize the associated gas has started in 2004
- Since (ALS) oil field operations accounted for approximately 20% of gas flaring in the State of Qatar, the gas recovery and utilization project would contribute significantly to the regional CO₂ emissions reduction.



(ALS) – Project Design Document Preparation

- After project identification, three critical decisions has to be taken by Qatar Petroleum:
 - Will the project be developed unilaterally or in partnership with another Project developer(s)
 - Use of in-house expertise or external consultants for the preparation of PDD
 - Can any of the approved methodologies by the UNFCCC- CDM EB be applied to this Project
- EcoSecurities as consultant was appointed to prepare the PDD and Project validation and registration.

(ALS) – Validation & Registration

- The following aspects of the Project were independently validated by DNV – the appointed DOE:
 - QP is the only Project participant who obtained the State’s DNA authorization; Knowing that the State of Qatar has ratified the Kyoto Protocol on January 11, 2005.
 - Ex-ante estimation of Project emission reductions is approximately 2,500,000 tCO_{2e}/year, the approved methodology AM0009 has been properly applied and the Project met all the applicability conditions.
 - Additionality had been adequately proven.
 - An appropriate monitoring plan has been developed.

(ALS) – Monitoring

- Al-Shaheen CDM Project activity is now in the monitoring phase and all the parameters required for determining the actual emission reductions were accomplished by the Project activity are being monitored as per the requirements of the monitoring methodology and the monitoring plan in the registered PDD.

(ALS) – Verification & Certification

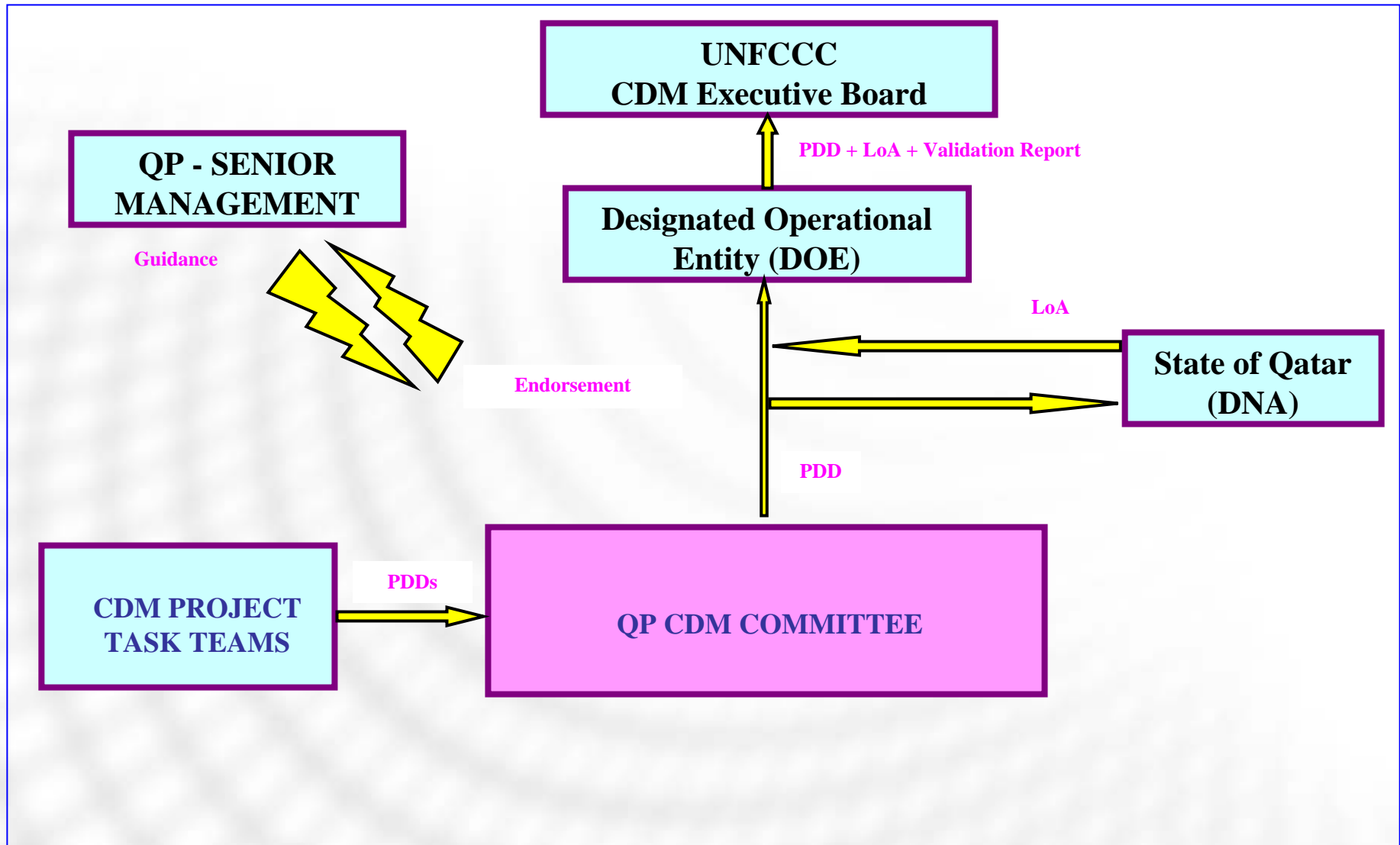
- The draft monitoring report for the first monitoring period 2007-2008 was achieved and completed by QP staff only.
- QP had invited the tenders consultant and DOEs to undertake the Project monitoring report for verification and to request for CERs issuance.

QP structure for Project implementation

Learning from the experiences gained with Al-Shaheen CDM Project, an active awareness in the implementation of CDM Projects within QP was developed.

- June 2006 Corporate HSE organized an interactive CDM training workshop.
- Corporate Environment & Sustainable Development Department prepared a CDM Guidebook which was distributed in February 2007.
- In February 2007, H.E. the MD approved the establishment of a high-level QP CDM Committee, as shown in the next slide

Al-Shaheen CDM Project "Experience"



CDM Project Task Teams

- Liaise and interact with Operational and Technical Departments on matters relating to CDM Projects to identify any CDM Projects opportunity .
- Obtain endorsement from Operational and Technical Departments on the identified Projects within their Business Units.
- Develop (PDD) for each identified CDM Project.
- Make Recommendations to QP CDM Committee



QP CDM Committee

- ▶ Establish Qatar Carbon Management Plan (CMP).
- ▶ Develop an Evaluation criteria for Projects.
- ▶ Identify Projects opportunities within QP and Affiliates, according to its potential in contributing to the State’s sustainable development programme.
- ▶ Evaluate prepared PDD by Project Task Teams.
- ▶ Ensure proposed Projects are in line with QP objectives and priorities

QP CDM Committee

- ▶ Obtain endorsement from QP Senior Management.
- ▶ Liaise with the DNA to obtain Letters of Authorization.
- ▶ Appoint Consultant / DOEs to validate the PDD and submit it to the UNFCCC-CDM EB for validation and registration.
- ▶ Appoint Consultant / DOEs to verify the monitoring report and to request for CERs issuance from the UNFCCC-CDM EB.
- ▶ Provide Carbon Credit Committee CER's marketing proposals.
- ▶ Provide regular feedback to QP Senior Management.

Implementation structure of CDM Project at QP



- During February - June 2007 through the Project Task Team QP-CDM Committee has identified a list of potential CDM Projects, which can be implemented across QP Operations and Affiliated Companies.
- In July 2007, QP/ HSE Regulations & Enforcement Directorate, re-structured with a full-fledged the CDM Department.
- The Directorate, through the CDM Department, now has the mandate to identify and develop CDM Project opportunities across the State of Qatar.
- Identified potential CDM Projects are being prioritized for short-, medium- and long-term implementation phases.

Conclusion

- **Al-Shaheen Oil Field Gas Recovery and Utilization Project was registered on 29 May 2007, which is the first registered CDM Project activity within the GCC.**
- **The State of Qatar and QP has learned valuable lessons by implementing this Project which reflect an incentive to work with similar CDM project participants within the Region and world-wide.**



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Thank you