

Kurdistan Regional Government

Council of Ministers

Ministry of Natural Resources

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INSTRUCTIONS (NO. 1) OF 2015 ON THE ENVIRONMENTAL IMPACT ASSESSMENT
OF PETROLEUM OPERATIONS

In reliance upon the powers conferred on us by Articles 53 and 60 of the Oil and Gas Law of the Kurdistan Region/Iraq No. 22 of 2007, we have decided to issue the following Instructions:

Definitions

First Article

For the purpose of these Instructions, the following expressions shall have the meanings given to them hereunder:

1. “Minister” means the Minister of Natural Resources in the Kurdistan Regional Government.
2. “Ministry” means the Ministry of Natural Resources in the Kurdistan Regional Government.
3. “Operator” has the meaning given to it in Law No. 22 of 2007, shall mean “Operators” in respect of any Operations of which there are more than one Operator and may be a natural or juristic person or a combination thereof, and “it” when used in these Instructions to refer to an Operator shall mean “he”, “she” or “they” as applicable.
4. “Environment” includes all components of the biosphere, including air, land, water, plant and animal life, social and economic activities, cultural assets, any man-made changes, any natural resources, any other aspects of the human and natural environment, and any part or

combination of the forgoing and the interrelation between them, and “environmental” shall be construed accordingly.

- 5.** “effect” or “impact” on the environment or environmental “effect” or “impact” means any change in the environment brought about by the Operations, activities or circumstances in question, and includes any direct, indirect, secondary, cumulative, short, medium or long-term, permanent or temporary, and positive or negative effect or impact and “affect”, “effects” and “impacts” shall be construed accordingly.
- 6.** “Environmental Impact Assessment” (EIA) is a process that involves:

 - a.** the identification, prediction and assessment of the significant positive and negative effects of any given Petroleum Operations on the environment;
 - b.** the determination of appropriate measures (including design and operational choices) to manage, mitigate and where possible avoid any significant negative environmental effects of the Operations; and
 - c.** The collation of the information necessary to facilitate the steps in Clauses (a) and (b) of this Paragraph.
- 7.** “EIA Report” means a set of documents that present the findings of an EIA and which:

 - a.** are submitted to the Ministry in accordance with these Instructions and the Guidelines; and
 - b.** Contain the information specified by the Ministry pursuant to these Instructions including an Environmental Management Plan and any other measures for monitoring, managing, mitigating and avoiding the environmental impacts of the Operations.
- 8.** “Commencement” in relation to Petroleum Operations means the undertaking of any activity that involves any physical alteration to land, the erection of any structures or the use of any heavy equipment

for the purpose of the Operations and “commenced” shall be construed accordingly.

9. “Petroleum Operations” has the definition given to it in Law No. 22 of 2007.
10. “Operations” means “Petroleum Operations”.
11. “Supplemental Information Request” (SIR) means a request from the Ministry requiring the Operator to provide, within such time as may be specified by the Ministry, further information which may, for the avoidance of doubt, necessitate the undertaking by the Operator of further assessments or the proposal of new mitigating, management or monitoring measures.
12. “Environmental Management Plan” (EMP) means the plan referred to at Paragraph 12 of Schedule 1 to these Instructions.
13. “significant” in relation to environmental impacts or effects, or any changes in such impacts or effects, means a substantial or potentially substantial change in the environment, which change may be substantial due to its magnitude, duration or intensity or the sensitivity of the receiving environment and in the event of any disagreement or doubt as to whether an impact is significant, the Ministry shall decide the issue.
14. “The Guidelines” means the Technical Guidelines issued by the Ministry under the 26th Article of these Instructions.
15. “Day” means a calendar day.
16. “Person” may be a natural or juristic person and “persons” shall be construed accordingly.

Second Article

Any other word or expression used in these Instructions that is assigned a meaning in Law No. 22 of 2007 shall have the same meaning as in the said Law.

The objectives of these Instructions

Third Article

These Instructions set out the Ministry's requirements and processes for the Environmental Impact Assessment of Petroleum Operations and are aimed at ensuring that such Operations are designed, operated and terminated in a manner that minimises damage to the environment.

The obligation to submit an acceptable EIA Report

Fourth Article

Except to the extent allowed in the 17th, 20th and 22nd Articles of these Instructions, no Petroleum Operations shall be commenced or carried on unless the Operator:

1. has submitted an EIA Report to the Ministry for those Operations, in accordance with these Instructions and the Guidelines; and
2. Holds a valid Certificate of Acceptance for that Report.

Fifth Article

An EIA Report submitted under the 4th Article of these Instructions:

1. must include:
 - a. such of the information referred to in Schedule 1 to these Instructions as is specified in the Guidelines; and
 - b. Such other information as may be specified in the Guidelines or otherwise required by the Ministry in order properly to assess the environmental impact of the Operations.
2. Must be an accurate, complete and objective presentation of the information required, and must not contain any misleading or false information.

Sixth Article

If at any time following the submission to the Ministry of an EIA Report or related information (including any response to a Supplemental Information Request), the Operator become seaware, that the Report or other information submitted is in any respect inaccurate or misleading (regardless of whether the Report or other information was always inaccurate or

misleading, or became so following a change in the Operations or their surroundings), the Operator must:

1. within five days of becoming so aware, notify the Ministry that the Report or other information is inaccurate or misleading; and
2. Within thirty days of becoming so aware (or within such extended period as may be allowed by the Ministry in exceptional circumstances), withdraw or correct the EIA Report or information in question.

Seventh Article

An EIA Report may only be prepared, and any related study or assessment may only be carried out, by an individual or individuals with appropriate expertise to be able to prepare the report or carry out the study or assessment in a manner that is competent, professional and compliant with the requirements of these Instructions and the Guidelines.

Eighth Article

Any juristic person that prepares an EIA Report (including any subsequent addendums or revision) for the purpose of another person's compliance with these Instructions must be registered with the Ministry in accordance with the Guidelines.

The Ministry's review of EIA Reports

Ninth Article

The Ministry will review any EIA Report submitted to it and respond to the Operator issuing a Certificate of Acceptance, a Letter of Rejection or an SIR.

Tenth Article

Every Certificate of Acceptance issued pursuant to these Instructions is conditional on:

1. the Operations being carried out in accordance with the information provided in the EIA Report and any further information submitted by the Operator, and in compliance with any mitigating, management, monitoring and other environmental measures specified in the submitted documents; and
2. Other conditions that the Ministry may consider appropriate.

Eleventh Article

The Ministry may issue a Letter of Rejection for any EIA Report if it considers that:

1. The EIA Report does not comply with these Instructions or the Guidelines;
2. the Operator has not complied, or fully complied, with an SIR by the due date specified by the Ministry; or
3. Inadequate measures are or will be in place to satisfactorily mitigate, monitor or manage the environmental impacts of the Operations.

Twelfth Article

A Certificate of Acceptance expires and becomes invalids follows:

1. three years after its date of issuance in respect of any proposed Operations if the Ministry has not received notification of the commencement of the Operations under Paragraph 1 of the 13th Article of these Instructions;
2. upon termination of the Operations to which the Certificate relates; or
3. Upon the withdrawal of an EIA Report by the Operator.

Management and monitoring**Thirteenth Article**

In respect of any Petroleum Operations for which an EIA Report has been submitted and a Certificate of Acceptance issued under these Instructions, the Operator must:

1. Inform the Ministry in writing when it has commenced the Operations (unless they had already commenced at the time of the issuance of the Certificate and the Operator had made the Ministry aware of this at the said time).
2. Comply with the condition imposed by Paragraph 1 of the 10th Article of these Instructions and any further conditions imposed on the Certificate of Acceptance.
3. submit to the Ministry an addendum to the existing EIA Report at least thirty days before any changes take place in the Operations or

their surroundings which changes are planned by or can be forestalled by the Operator and may lead to a significant change in the likely or actual environmental impacts of the Operations, and the addendum shall:

- a.** contain an adequately detailed description of the changes and an assessment of their environmental impacts, including such of the information set out in Schedule 1 to these Instructions as may be specified in the Guidelines; and
 - b.** Contain such information as necessary to update the EIA Report in light of the changes that are the subject of the addendum.
- 4.** Periodically (and at least as frequently as may be specified in the Guidelines) review any EMP and other provisions for the mitigation, management and monitoring of environmental impacts submitted to the Ministry and informs the Ministry, in writing, of any changes to the said plans or measures.
- 5.** Fully cooperate with the Ministry's regulatory, monitoring and auditing activities undertaken pursuant to Law No. 22 of 2007, these Instructions, any other legislation or decisions made there under.

Fourteenth Article

In order to assess and ensure compliance with these Instructions and the environmental provisions of Law No. 22 of 2007, the Ministry may:

- 1.** undertake, at its discretion, monitoring and auditing activities in respect of any Petroleum Operations; and
- 2.** At any time require an Operator to provide the Ministry with such information as it considers necessary.

Fifteenth Article

In respect of any Operations in relation to which the Ministry has issued a Certificate of Acceptance under these Instructions, if the Ministry considers that significant change in the Operations (including in their surroundings) renders or may have rendered the existing EIA Reporting adequate, it may require the Operator to revise all or part of the EIA Reporting order to address that inadequacy.

Sixteenth Article

At any time, the Ministry may withdraw a Certificate of Acceptance issued in respect of any Petroleum Operations (whereupon the Certificate shall become invalid), if it is satisfied that:

1. The Operator has failed to comply with the obligations in the 6th or 13th Article of these Instructions;
2. The grounds in Paragraph 1 or 3 of the 11th Article of these Instructions apply; or
3. The EIA Report to which the Certificate relates does not comply with Paragraph 2 of the 5th Article of these Instructions.

Seventeenth Article

Where the Ministry withdraws a Certificate of Acceptance under the 16th Article of these Instructions in respect of on-going Petroleum Operations, the Operator may continue to carry on the Operations without being in breach of the 4th Article of these Instructions for such duration as may be specified in the notice of withdrawal.

Transitional provisions**Eighteenth Article**

These Instructions apply to all Petroleum Operations in the Kurdistan Region whether or not they have already commenced before the date on which these Instructions become effective.

Nineteenth Article

In respect of any Petroleum Operations that have already commenced before the date on which these Instructions become effective:

1. If the Operator has already submitted an EIA Report to the Ministry and the Ministry is satisfied that the Report contains an adequate assessment of the Operations' environmental impacts and adequate mitigating, monitoring and management provisions, the Ministry will issue a Certificate of Acceptance in respect of that Report within ninety days of the date on which these Instructions become effective.
2. If the Operator has already submitted an EIA Report to the Ministry but the Ministry is not satisfied that the Report contains an adequate

assessment of the Operations' environmental impacts or adequate mitigating, monitoring and management provisions, it will notify the Operator of that fact within ninety days of the date on which these Instructions become effective and the Operator shall submit a duly revised EIA Report to the Ministry within one hundred and twenty days of that notification (unless a different dead line is specified by the Ministry).

3. If the Operator has not submitted an EIA Report to the Ministry in respect of the Operations, it shall submit an EIA Report to the Ministry within one hundred and twenty days of the date on which these Instructions become effective (unless a different deadline is specified by the Ministry).

Twentieth Article

Operations to which the 19th Article of these Instructions applies may continue without breaching the 4th Article of these Instructions:

1. during the period in which:
 - a. The Ministry may issue a Certificate of Acceptance under Paragraph 1 of the 19th Article of these Instructions or notify the Operator of the need for the submission of a revised EIA Report under Paragraph 2 of the 19th Article of these Instructions.
 - b. The Operator must submit an EIA Report or a revised EIA Report under Paragraph 2 or 3 of the 19th Article of these Instructions.
2. Pending the Ministry's final response to the EIA Report or revised EIA Report.

Twenty-first Article

In respect of any Operations for which an EIA Report or a revised EIA Reports required to be submitted under the 19th Article of these Instructions, the 4th to 17th Articles, the 26th to 32th Articles and Schedule 1 of these Instructions apply as if:

1. all references to "EIA Report" were to an EIA Reportorial revised EIA Report submitted under the 19th Article of these Instructions;

2. all references to “likely “or “proposed” effects, measures or actions were to both current and future effects, measures or actions; and
3. All references to the commencement of Operations were to the continuance of the Operations.

Twenty-second Article If the Ministry issues a Letter of Rejection in respect of an EIA Report or a revised EIA Report submitted under the 19th Article of these Instructions, the Operations to which it relates must cease on the expiry of the period for submitting an application for reconsideration under the 23th Article of these Instructions or within thirty days of the Ministry’s decision under the 25th Article of these Instructions to uphold the Letter of Rejection, whichever is later.

Reconsideration of the Ministry’s responses and decisions

Twenty-third Article An Operator may apply to the Ministry for a reconsideration of its decision to issue:

1. a Letter of Rejection under the 9th Article of these Instructions;
2. a notice requiring the Operator to submit a revised EIA Report under the 15th Article or Paragraph 2 of the 19th Article of these Instructions;
3. a notice of withdrawal of a Certificate of Acceptance under the 16th Article of these Instructions; or
4. A Certificate of Acceptance that contains one or more conditions pursuant to Paragraph 2 of the 10th Article of these Instructions.

Twenty-fourth Article Any application under the 23rd Article of these Instructions must:

1. be made within thirty days of the date on which the letter, notice or certificate was received by the Operator;
2. contain a clear and concise statement of the reasons for the application; and

3. Include any supporting documentation, which may include a revised EIA Report addressing the issues that led to the decision under reconsideration.

Twenty-fifth Article The Ministry will consider any application submitted under the 23rd Article of these Instructions and make a determination on it within thirty days, which determination shall be final.

Supplementary provisions

Twenty-sixth Article The Ministry:

1. Will issue Technical Guidelines setting out its requirements and procedures for the submission of EIA Reports, including requirements as to the content of such Reports and the form and manner in which they are submitted.
2. Will issue Technical Guidelines regarding the registration (including the de -registration) of juristic persons for the purpose of compliance with the 8th Article of these Instructions.
3. May issue Technical Guidelines in respect of any other aspect of these Instructions.

Twenty-seventh Article Technical Guidelines issued under the 26th Article of these Instructions:

1. May impose different requirements on different types of Petroleum Operations.
2. May in particular impose requirements in accordance with a screening or scoping process differentiating between Operations on the basis of their nature or environmental impact.
3. May contain such transitional and transitory provisions as the Ministry considers appropriate.

Twenty-eighth Article Except to the extent that the Ministry considers it harmful to the public interest or legitimate private interests, it may allow any organisation, government body or member of the public to inspect any EIA Reports and

related information submitted to the Ministry and any responses that it issues in respect of such Reports.

Twenty-ninth Article Any breach of these Instructions will constitute a breach of Law No. 22 of 2007 and will attract liability under the applicable laws.

Thirtieth Article In respect of any given Operations, the Operator is fully responsible for:

1. any inaccuracies or misleading information in any EIA Report or related information submitted to the Ministry; and
2. Any failure to ensure that the Operations are commenced and carried on in compliance with these Instructions.

Thirty-first Article A juristic person making an application for registration under the 8th Article of these Instructions shall bear full responsibility for any inaccurate, misleading or false information that they provide to the Ministry in connection with their registration.

Thirty-second Article Unless the Operator produces conclusive evidence to the contrary, any document sent by the Ministry to an Operator pursuant to these Instructions or the Guidelines shall be deemed to have been received by the Operator:

1. Immediately, if the document was sent by email or delivered by hand.
2. On the fifth working day after the date on which the document was sent, if it was sent by post.

Thirty-third Article These Instructions shall be effective from the date on which they are published in the Kurdistan Gazette.

Dr Ashti Hawrami

Minister of Natural Resources

SCHEDULE 1: INFORMATION FOR INCLUSION IN AN EIA REPORT

- 1.** A non-technical summary of the information provided pursuant to Paragraphs 2 to 12 of this Schedule.
- 2.** A description of the Operations, including:
 - a.** the physical characteristics of the whole Operations, including their design, size and land-use requirements; and
 - b.** The type and quantity of expected waste and other emissions (water, air and soil pollution, noise, vibration, light, heat, radiation, etcetera) resulting from the Operations.
- 3.** Adscription of the pre-existing environmental characteristics of the area in which the Operations are proposed to be commenced, including:
 - a.** data on the physical environment including the local geography, land uses, climate, geology, hydrology and water quality, noise and air quality;
 - b.** a description of the local biodiversity and flora and fauna; and
 - c.** a description of the human and socio-economic context, including the local population ,historic and projected economic and social activities, cultural assets(including architectural and archaeological wealth, historic landscapes and recreational and tourist areas), material assets (including infrastructure) and natural resources (including water resources and mineral deposits).
- 4.** A description of the likely significant effects of the Operations on the environment (including the magnitude, frequency, reversibility and inter-relationship of the effects), which shall cover all significant effects that may reasonably be considered likely to result from the Operations including, for the avoidance of doubt:
 - a.** any activities undertaken, structures erected or changes made to the land or its uses, in connection with the Operations;
 - b.** any related discharges, emissions, nuisances, waste and use of natural resources; and
 - c.** Any effects caused by unplanned events such as spills, fires or other accidents (including a description of the types of such events and an estimate of the probability of such events occurring).

- 5.** A description of any measures to be taken in order to:
 - a.** prevent and mitigate significant negative environmental effects resulting from the Operations;
 - b.** protect the health and safety of workers and the public from any harm caused as a result of the existence of the Operations;
 - c.** respond to any fires, spills or other accidents;
 - d.** reduce and manage waste (including hazardous and non-hazardous liquid and solid waste) generated by the Operations; and
 - e.** Minimise the likely environmental impacts resulting from the decommissioning, in whole or in part, of the Operations.
- 6.** A description of the main alternatives studied by the Operator in respect of the design, technological and operational features of the Operations including in respect of the measures set out in Paragraph 5 of this Schedule and an indication of the main reasons for the choices made, taking into account their environmental effects.
- 7.** A description of the legislative and other legal provisions that are relevant to the Operations' environmental performance and compliance with these Instructions.
- 8.** A description of any consultation undertaken in the preparation of the EIA Report.
- 9.** A description of the EIA process and methodology employed in preparing the EIA Report, including any surveys or studies carried out as part of that process and a description of the risk evaluation, any forecasting and other methods used to identify and assess significant environmental effects.
- 10.** An indication of any difficulties (technical deficiencies or lack of know-how) encountered by the Operator in compiling the required information.
- 11.** The names and qualifications of key persons who were involved in the preparation of the EIA Report.
- 12.** An Environmental Management Plan (EMP) including:
 - a.** the Operator's environmental management objectives, covering the monitoring, prevention and mitigation of any significant negative effects on the environment;
 - b.** a description of the actions proposed to achieve those objectives; and

- c.** Arrangements for record-keeping, reporting, auditing and the reviewing and updating of the EMP.
- 13.** Map of the site of the Operations (including the map coordinates) and plans of the facility layout.