

**We Abdullah II Ibn Al Hussein, King of the Hashemite Kingdom of Jordan**

**Pursuant to Article (31) of the Constitution**

**And based on the decision of the Council of Ministers on 26/7/2020**

**Order the following regulation:**

**Regulation No. (76) of 2020**

**Regulation for Exploitation Projects of Petroleum, Oil Shale, Coal and Strategic Minerals**

**Issued in accordance with Paragraph (c) of Article (8) of Natural Resources Law No. (19) of 2018**

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Article 1- This Regulation shall be called the (Regulation for Exploitation Projects of Petroleum, Oil Shale, Coal and Strategic Minerals) and shall be effective as of the date of its publication in the Official Gazette.

Article 2- a- The following words and terms, whenever appeared in this Regulation, shall have the meanings designated thereto below unless the context indicates otherwise:

Law	Natural Resources Law.
Ministry	Ministry of Energy & Mineral Resources.
Minister	Minister of Energy & Mineral Resources.
Secretary General	Secretary General of the Ministry or his/her deputy.
Committee	The higher committee formed under the terms of this Regulation.
Application	The application submitted by the Person in the form made by the Ministry and approved by the Committee under the terms and conditions of this Regulation and the instructions issued therewith.
Direct Proposal	A combination of documents and information attached with the Application submitted by the Person to the Ministry, for the exploitation of petroleum, oil shale, coal or strategic minerals.
Person	The company or association who submits the Direct Proposal in accordance with the terms of this Regulation.
Eligible Person	The Person holder of the Direct Proposal accepted by the Committee and eligible for signing the Memorandum of Understanding.
Memorandum of Understanding	The document signed by the Eligible Person with the Ministry to commence exploration, conduct technical studies and prepare economic feasibility study necessary therefor in the form made by the Ministry for this purpose.
Project	Any project aimed at the exploitation of petroleum, oil shale, coal or strategic minerals.
Project Committees	Technical committees formed under the terms of this Regulation.
Negotiating Committees	The committee formed under the terms of this Regulation to negotiate on the clauses of Production Sharing Agreement or the Implementation Agreement.

b- Definitions set out in the Law shall be adopted wherever appeared in this Regulation unless the context indicates otherwise.

Article 3-a- Subject to the Law, petroleum, oil shale, coal and strategic minerals must not be exploited unless the Person is eligible under the terms of this Regulation.

b- The Secretary General shall receive the Applications of Direct Proposal at any time and deliver the same to the Committee.

Article 4-a- A committee shall be formed in the Ministry and shall be called the (Higher Committee) headed by the Secretary General and with the membership of:

- 1- Assistant of the Secretary General for Natural Resources.
- 2- Director of Natural Resources Projects.
- 3- Director of Natural Resources Studies.
- 4- Director of Legal Affairs.
- 5- Representative of the Ministry of Finance named by the Minister of Finance.
- 6- Representative of the Audit Bureau named by the President of the Audit Bureau.

b- The President of the Committee shall name among members a deputy who shall perform tasks upon absence of the President.

c- The President of the Committee shall name among the Ministry's officials a secretary to the Committee who shall prepare invitations to meetings, keep records and registers, take minutes of meetings and follow up the implementation of decisions of the Committee.

d- The Committee shall meet upon invitation by the President or his/her deputy upon absence of the President, whenever needed. Such meeting shall be legal if attended by majority of members provided that the president or his/her deputy are among those present. Decisions shall be made with majority of votes of members present. The president of the meeting shall have the casting vote if the votes at the meeting are equal.

e- The Committee may seek assistance from experts and technicians to perform tasks assigned to the Committee, and may invite any of them to attend meetings for consultation but without having any right to vote on decisions.

Article 5- The Committee shall perform and have the following tasks and powers:

- a- Receive the Direct Proposal from the Secretary General and communicate with the Person to inquire about any unclear clauses in the Direct Proposal submitted by the Person and deliver the same to the related Project Committee for study and evaluation.
- b- Make the decision on accepting the Direct Proposal upon the recommendation of the Projects Committees and to qualify the holder of the Direct Proposal for contracting under the Memorandum of Understanding and any other applications related to the Memorandum of Understanding in accordance with the terms of this Regulation and the instructions issued therewith, or make the decision on rejecting the Direct Proposal and inform the Person/Applicant with the decision without giving any reasons.
- c- Make the proper decision on considering that the Eligible Person has fulfilled obligations set out in the Memorandum of Understanding, and make a recommendation to the Minister to start negotiations on production sharing agreement or implementation agreement according to legislation in force.
- d- Establish criteria and principles for preparing and evaluating the Direct Proposal.

- e- Prepare standard contractual guidelines and provisions for Memoranda of Understanding and agreements set out in this Regulation and deliver the same to the Minister for approval.
- f- Prepare the forms and instructions issued in accordance with the terms of this Regulation and deliver the same to the Minister for issuance.
- g- Any other tasks relevant to the Committee's work referred by Minister to the Committee.

Article 6- a- Upon the recommendation of the Committee, the Minister shall form the following Project Committees from among number of members not less than five and not more than seven:

- 1- Petroleum Projects Committee.
- 2- Strategic Minerals Projects Committee.
- 3- Oil Shale and Coal Projects Committee.

b- The Projects Committees, each according to its specialty, shall perform and have the following tasks and powers:

- 1- Study and evaluate the Direct Proposal in accordance with the instructions issued by the Minister for this purpose.
- 2- Contact the Person/Applicant to inquire about any unclear clauses in the Direct Proposal submitted by such Person/Applicant.
- 3- Make a recommendation to the Committee to accept or reject the Direct Proposal based on the evaluation standards set out in the instructions issued under this Regulation.
- 4- Prepare the Memorandum of Understanding and make a recommendation to the Committee thereof.
- 5- Follow up and monitor the execution of the requirements of the Memorandum of Understanding signed with the Eligible Person, including auditing all expenses during such stage.
- 6- Prepare reports on fulfilling or breaching of the obligations by the Eligible Person under the Memorandum of Understanding, including results and recommendations regarding entering into negotiations on production sharing agreements or implementation agreements and deliver the same to the Committee to make the proper decision thereof.
- 7- Any other matters related to the work of the Projects Committees assigned by the Committee.

Article 7- The following conditions must be available in the Person/Applicant:

- a- Appropriate technical qualifications according to the nature and technical requirements of the project in the following specialized areas: geology, oil and gas exploration and production engineering, mining, processing techniques for various raw materials, economic studies, various environmental and engineering studies or any other specialized qualifications related to the nature of the project as decided by the Committee in accordance with the instructions issued under this Regulation.
- b- Sufficient financial capability that enables the Person/Applicant to implement the project for exploitation of petroleum, oil shale, coal or strategic minerals as decided by the Committee in accordance with the instructions issued under this Regulation.
- c- The Person/Applicant has not been convicted under definitive decision with economic offence or fraud or money laundry offence inside or outside the

Kingdom, and the Person must admit and acknowledge the same in the Application under penalty of rejecting the Direct Proposal.

- d- The Person has not previously apply for any projects of exploiting petroleum, oil shale, coal or strategic minerals and has not neglected, defaulted or breached the obligations under any of the previous contractual documents, including any memorandum of understating or agreement.

Article 8- The following conditions must be available in the Direct Proposal:

- a- The Application is filled and signed in the form made for this purpose.
- b- Attach the documents that prove technical qualifications and financial capability referred to in paragraphs (a) and (b) of Article (7) of this Regulation.
- c- Clearly define the project area.

Article 9- The Minister shall deliver the recommendation of the Committee on the approval of signing the Memorandum of Understanding to the Council of Ministers to take proper decisions and authorize the signing to the Minister.

Article 10- Upon the recommendation of the Committee in the Ministry, the Minister shall form a Negotiating Committee, whose members are comprise of concerned government authorities, provided that members of such committee shall not be less than five and not more than seven in addition to the project consultant, if any, to negotiate on the clauses of the production sharing agreement or the implementation agreement in accordance with the terms of the Law with the Eligible Person who successfully executed the requirements of the Memorandum of Understating.

Article 11- The Ministry does not bear any responsibility after the lapse of six months from the date of rejecting the application and shall have the right to dispose the Applications of the rejected Direct Proposal.

Article 12- Upon the recommendation of the Minister relied upon the recommendation of the Committee, the Council of Ministers may cancel any qualification decision or any Memorandum of Understanding in accordance with the terms of this Regulation, if the Committee finds the lack of seriousness of the Direct Proposal or the Person or finds a breach of the requirements of the Memorandum of Understanding without any liability on the Ministry in this regard.

Article 13- When any situation arises that cannot be addressed under the terms of this Regulation; the Minister shall deliver the matter to the Council of Ministers to take the proper decision thereof.

Article 14- Upon the recommendation of the Committee, the Minister may grant financial rewards to the members of the Projects Committees, Negotiating Committee, experts and technicians other than officials, provided that the decision made by the Minister shall include the amount and method of payment of such rewards.

Article 15- The Minister shall issue the instructions required for the execution of the terms of this Regulation.

26/7/2020

**Abdullah II Ibn Al Hussein**

<b>Prime Minister, and Minister of Defense Dr. Omar Razzaz</b>	<b>Minister of Foreign Affairs and Expatriates Ayman Hussein Safadi</b>	<b>Minister of Interior Salameh Hammad Al- Sahaim</b>	<b>Minister of Higher Education and Scientific Research Dr. Muhyieddein Shaban Touq</b>
<b>Minister of Water &amp; Irrigation Eng. Raed Muzaffar Abu Al-Saud</b>	<b>Minister of Education Dr. Tayseer Menezel Al-Nuaimi</b>	<b>Minister of Political and Parliamentary Affairs Eng. Musa Habis Maaytah</b>	<b>Minister of State for Institutional Performance Development Yasera Asim Ghousheh</b>
<b>Minister of Local Administration Eng. Waleed Muhyieddin” Al Masri</b>	<b>Minister of Justice Dr. Bassam Samir Talhouni</b>	<b>Minister of Tourism and Antiquities Majd Mohammad Shweikeh</b>	
<b>Acting Minister of Environment and Agriculture Dr. Saleh Ali Kharbsheh</b>	<b>Minister of State for Legal Affairs Mubarak Ali Abu Yamin</b>	<b>Minister of Industry, Trade and Supply Dr. Tariq Mohammad Hammouri</b>	
<b>Minister of Energy &amp; Mineral Resources Eng. Hala Adel Al-Zawati</b>	<b>Minister of Digital Economy &amp; Entrepreneurship Eng. Muthanna Hamdan Gharaibeh</b>	<b>Minister of Public Works &amp; Housing Eng. Falah Abdullah Al-Omouh</b>	<b>Minister of Social Development Basma Mousa Ishaqat</b>
<b>Minister of Finance Dr. Mohammad Al-Ississ</b>	<b>Minister of State for Prime Ministry Affairs Sami Kamel Dawood</b>	<b>Minister of Labor Nedal Faisal El-Batayneh</b>	<b>Minister of Health Saad Fayez Jaber</b>
<b>Minister of State for Media Affairs Amjad Oda Al-Adayla</b>	<b>Minister of Endowments, Holy Sites and Islamic Affairs Dr. Mohammad Ahmad Al-Khalayleh</b>	<b>Minister of Culture Dr. Basim Tweissi</b>	
<b>Minister of Youth Dr. Fares Abdel Hafez Al Braizat</b>	<b>Minister of Planning &amp; International Cooperation Dr. Wissam Adnan Al-Rabadi</b>	<b>Minister of Transport Dr. Khalid Walid Saif</b>	