

SAUDI GREEN COMPANY FOR CARBON SERVICES

Contents

- Company Structure
- Introduction to Saudi Green Company for Carbon Services
- SGCS Vision and Services.
- SGCS Current Assets.
- SGCS Working Field
- SGCS Projects Overview
- The Clean Development Mechanism (CDM)
- Program of Activities (POA)
- CDM Vs. CPA-POA

SGCS BOD's Members



Osama A. Khawandanah Chairman Board Of Director



Gasem S. AL-Shaikh Vice Chairman Board Of Director



Ahmed S. Bashaweh Board Of Director Member



Khalid Al-Rasheed Board Of Director Member



Khalid Taaimi Board Of Director Member

Company Overview

Introduction

In November, 2012

- > CES Carbon Services was established in Ireland to carry out the following activities:
 - Encourage carbon reduction technologies in KSA
 - Development of carbon projects under the UNFCCC Protocol
 - Being the coordinator and managing entity of carbon projects and programs developed for KSA under the UNFCCC protocol
 - Carbon trading of CERs/carbon credits in Europe and other countries
- Saudi Electricity Company (SEC) and Petroleum Chemicals and Mining Co. (PCMC), signed a Framework Agreement to form a JV company to take over ownership of CES Carbon Service Co.

Introduction

In December, 2012

- CES Carbon Services Co. received the Letter of Approvals (LoA) from the Saudi National Committee for Clean Development Mechanism (DNA) for the following Program of Activities:
 - 1. <u>Renewable Energy Programme of Activities (PoA) in Middle East</u> and North Africa (PoA)
 - 2. Advanced Energy Solutions for Buildings (PoA)

In April, 2017

Saudi Green Company for Carbon Services was established as a JV (51% SEC, 49% PCMC) as the first Saudi Company that owns registered PoAs with UNFCCC and the only one can trade CERs in the European Trade Scheme (ETS)

Introduction

- SGCS is the Only Saudi Company that owns PoA registered in UNFCCC for Renewable Energy and can Include any number of Renewable Projects under this PoA and until year 2040.
- CERs generated from the inclusion of these projects can be traded in the largest carbon market the Europe Trading Scheme (ETS) and this can only be done through SGCS.
- > Developers/Owners will benefit financially from trading of CERs.
- Countries are recognized as Projects will have UN label/stamp of approval.
- Assist KSA in reaching economic, social, environmental and sustainable development objectives to achieve 2030 KSA vision.

SGCS Vision and Services

Vision

As a company specialized in reducing carbon emissions programs, we ensure high quality service to our customers in the Middle East and North Africa.

Services

- Emission Reduction Project Development
- Advisory & Consulting
- Monitoring & Verification
- Carbon asset management
- CER Trading
- Training & Development

SGCS Current Assets

SGCS Current Assets

- > Two Programs of Activities registered un the UNFCCC:
 - Renewable Energy PoA in Middle East and North Africa (PoA 9299)
 - 2. Advanced Energy Solutions for Buildings





United Nations Framework Convention on Climate Change

SGCS Working Field

SGCS Working Field

Any small scale or large scale solar/wind grid connected project activity in Saudi Arabia, Egypt and Oman can be included in the program

https://cdm.unfccc.int/ProgrammeOfActivities/poa_db/COD5H497YNQZKMG F28W3PALEJTB160/view

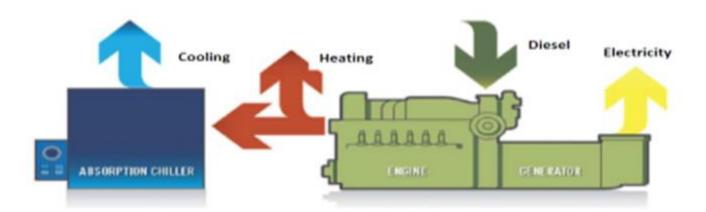
Technologies Include:

- Solar thermal power
- Solar PV power
- > Onshore wind power
- Offshore wind power



Advanced Energy Solutions for Buildings

Installation of fossil fuel based co-generation and trigeneration systems to supply electricity, cooling and/or heating in a less greenhouse gas intensive manner in commercial, non industrial buildings.



SGCS Projects – Overview

SGCS Registered Projects

> LAYLA ALAFLAJ Solar Power Plant:

- Project Capacity 12.6 MW
- The Project offset 20,081 ton of CO2/year, hence (20,081 CER) registered in Feb. 2019
- Expected saving over life time 502,025 tCO2e

> SKAKA Solar Power Plant:

- Project Capacity 300 MW
- The Project offset 607,516.94 ton of CO2/year, hence (607,516.94 CER) registered in Feb. 2020
- Expected saving over life time 15,187,900 tCO2e

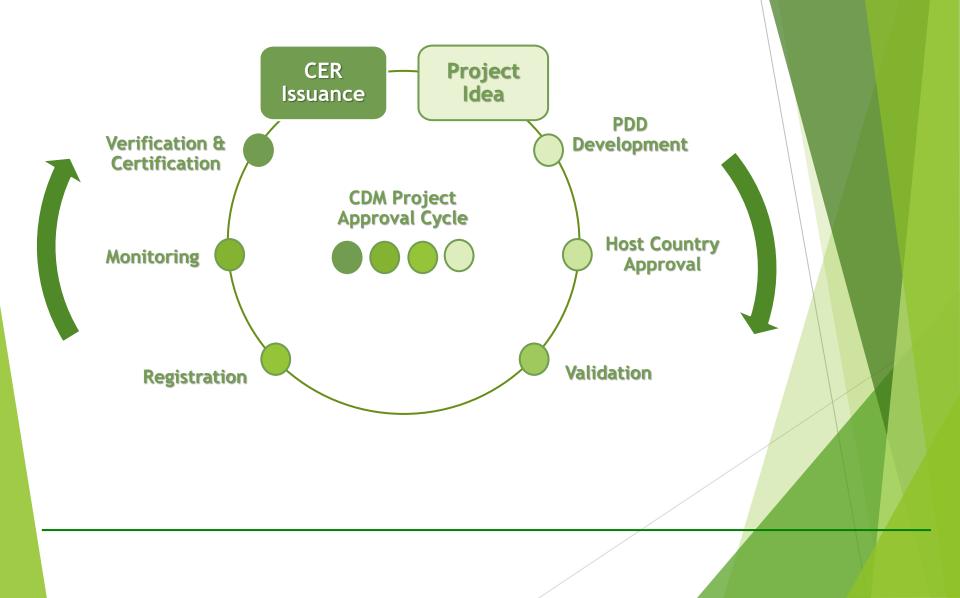
Future Carbon Projects Under RE MENA POA

> DUMAT AL JANDAL Wind Power Plant:

 Under negotiation with Dumat Al Jandal Project company to register 400 MW wind power plant.

The Clean Development Mechanism (CDM)

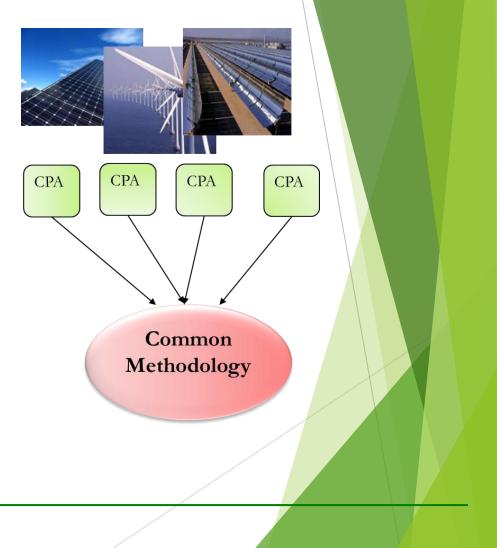
The CDM Cycle



Program of Activities (POA)

Program of Activities (POA)

- Launched in 2005 in an effort to reduce transaction costs in the CDM and expand the mechanisms activities to micro project activities
- A POA allows the grouping of several single CDM projects within a framework and a common methodology.
- Duration of 28 years
- Entities not limited to the number of projects they can include
- CERs/carbon credits can be sold annually up to 2040 once PoA registered



CDM Vs. POA

- The PoA's differs from a single CDM or carbon project in that the PoA serves as a framework for multiple project activities of the same scope and methodology.
- Project owners can benefit from utilizing the PoA to register their renewable energy projects instead of having to go through the cumbersome registration process of a single carbon project registration with the UNFCCC.
- Carbon project registration transaction costs and the time required for registration are also significantly reduced by utilizing the PoA.

	CDM	CPA-PoA
PDD Development	6-12 Months	None- Just 3-5 months to complete the project template document
Global Stakeholder Consultation	1 Month	-
Cost	40% higher	-
Host Country approvals	3-12 Months	No need as we already have the DNA approval
Registration	Project must be submitted to UNFCCC to request registration	Once PoA is registered, no need to submit individual projects for registration
Verification	Required	Required

Thank you



09 December.2012

Ref:CDM12-ADM093LoA

Tom Marren CES Carbon Services Limited 44-45 Clontarf Road 1, The Sea Point Building **Dublin 3**, Ireland

Letter of Approval for: "Renewable Energy Programme of Activities in Middle East and North Africa" Program, hereinafter referred to as "Program"

As authorized representative of the Designated National Authority (DNA) of Saudi Arabia under the Kyoto Protocol, I herby confirm that:

- Saudi Arabia ratified the Kyoto Protocol on 12 January 2005; (i)
- Saudi Arabia participates voluntarily in the Clean Development Mechanism (CDM) (ii) and the Program;
- The Program will contribute to the sustainable development of Saudi Arabia; (iii)
- The DNA will cooperate with the Program Participants and the CDM Executive (iv) Board to facilitate the CDM process and give assistance, where possible, for the issuance and transfer of Certified Emission Reduction (CERs) to the Program Participants; and

As authorized representative of the Designated National Authority of Saudi Arabia under the Kyoto Protocol, I further authorize:

- (i) The Participation of CES Carbon Services Ltd., as Program Participant, where CES Carbon Services Ltd. is the Coordinating/Managing Entity in the Program; and
- (ii) The CDM Executive Board to issue and allocate CERs for any verified greenhouse gas reduction from the Program in the method directed by the Program Participant.

With this letter I approve on behalf of Saudi Arabia the "Renewable Energy Programme of Activities in Middle East and North Africa" Program as a Clean Development Mechanism (CDM) Program of Activity (POA) for the purpose of Article 12 of the Kyoto Protocol.

Sincerely, Abdulaziz Bin Salman Bin Abdulaziz Al-Saud Chairman of the National Committee for



Clean Development Mechanism

National Committee for Clean Development Mechanism Designated National Authority - DNA www.cdmdna.gov.sa

P.O. Box : 94293 Riyadh 11693, K.S.A. Phone : (00966) 1-2819700 (00966) 1-2819788



Ref:CDM12-ADM092LoA

09 December.2012

Tom Marren CES Carbon Services Limited 44-45 Clontarf Road 1, The Sea Point Building Dublin 3, Ireland

Letter of Approval for: " Advanced Energy Solutions for Buildings. Programme of Activities " Program, hereinafter referred to as "Program"

As authorized representative of the Designated National Authority (DNA) of Saudi Arabia under the Kyoto Protocol, I herby confirm that:

- (i) Saudi Arabia ratified the Kyoto Protocol on 12 January 2005;
- Saudi Arabia participates voluntarily in the Clean Development Mechanism (CDM) and the Program;
- (iii) The Program will contribute to the sustainable development of Saudi Arabia;
- (iv) The DNA will cooperate with the Program Participants and the CDM Executive Board to facilitate the CDM process and give assistance, where possible, for the issuance and transfer of Certified Emission Reduction (CERs) to the Program Participants; and

As authorized representative of the Designated National Authority of Saudi Arabia under the Kyoto Protocol, I further authorize:

- (i) The Participation of CES Carbon Services Ltd., as Program Participant, where CES Carbon Services Ltd. is the Coordinating/Managing Entity in the Program; and
- (ii) The CDM Executive Board to issue and allocate CERs for any verified greenhouse gas reduction from the Program in the method directed by the Program Participant.

With this letter I approve on behalf of Saudi Arabia the "Advanced Energy Solutions for Buildings. Programme of Activities" Program as a Clean Development Mechanism (CDM) Program of Activity (POA) for the purpose of Article 12 of the Kyoto Protocol.

Sincerely



Abdulaziz Bin Salman Bin Abdulaziz Al-Saud Chairman of the National Committee for Clean Development Mechanism



P.O. Box : 94293 Riyadh 11693, K.S.A. Phone : (00966) 1-2819700 Fax : (00966) 1-2819788



Arab Republic of Egypt Ministry of State for Environmental Affairs The Minister

Egyptian DNA Letter of Approval and Letter of Authorization

Code: LoA EC-CDM0017/1

June 2012

To: To Whom It May Concern

Letter of Approval for: "Renewable Energy Programme of Activities in Middle East and North Africa" Program, hereinafter referred to as "Program"

As authorized representative of the Designated National Authority (DNA) of Egypt under the Kyoto Protocol, I herby confirm that:

- (i) The Arab Republic of Egypt ratified the Kyoto Protocol on 12 January 2005;
- (ii) Egypt participates voluntarily in the Clean Development Mechanism (CDM) and the Program;
- (iii) The Program will contribute to the sustainable development of Egypt;
- (iv) The DNA will cooperate with the Program Participants and the CDM Executive Board to facilitate the CDM process and give assistance, where possible, for the issuance and transfer of Certified Emission Reduction (CERs) to the Program Participants, and

As authorized representative of the Designated National Authority of Egypt under the Kyoto Protocol, I further authorize:

- The Participation of CES Carbon Services Ltd. as Program Participant where CES Carbon Services Ltd. is the Coordinating/Managing Entity in the Program, and
- (ii) The CDM Executive Board to issue and allocate CERs for any verified greenhouse gas reduction from the Program in the method directed by the Program Participants

With this letter I approve on behalf of Egypt the "Renewable Energy Programme of Activities in Middle East and North Africa"Program as a Clean Development Mechanism (CDM) Program of Activity (POA) for the purpose of Article 12 of the Kyoto Protocol.

Dr.Eng. Ezzat Lewis

Coordinator of Egyptian DNA Focal Point of UNFCCC





19 Ramadhaan 1432H

MECA/DGCA/CDM-P13/LoA-3/2012

Mr. Tom Marren Director CES Carbon Services Limited 44-45 Clontarf Road 1, The Sea Point Building Dublin 3, Ireland

> Sub: Host Country Letter of Approval (LOA) for CDM Programme of Activities (PoA) Renewable Energy Programme of Activities in Middle East and North Africa

After Compliments,

This has Reference to your application vide letter dated 26 May 2012 along with a Programme of Activities Design Document (PoA-DD) Version 01 and subsequent letter dated 28 July 2012 seeking a Letter of Approval (LOA) from the Host Country for the above mentioned programme of activities in the Sultanate of Oman.

The CDM- DNA of the Sultanate of Oman confirms the following :-

- The Government of the Sultanate of Oman has ratified the Kyoto Protocol on 19th January 2005;
- This Letter of Approval (LOA) is for a Voluntary Participation in the proposed CDM-PoA, however the implementation of the above mentioned programme of activities should not introduce any new commitment or obligation to the Sultanate of Oman other than those

