

Federal Decree-Law No. (11) of 2024
On the Reduction of Climate Change Effects

We, Mohammed bin Zayed Al Nahyan, President of the United Arab Emirates,

- Having reviewed the Constitution; and
- Federal Law No. (1) of 1972, Concerning the Competences of Ministries and the Powers of Ministers, as amended; and
- Federal Decree-Law No. (31) of 2021, Promulgating the Penal Code, as amended; and
- Based on the proposal submitted by the Minister of Climate Change and Environment, and Cabinet’s approval,

Hereby decree as follows:

Article (1)

Definitions

For the purpose of applying the provisions of the present Decree-Law, the following words and expressions shall bear the meanings assigned thereto respectively, unless the context requires otherwise:

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| The State | : The United Arab Emirates. |
| The Ministry | : The Ministry of Climate Change and Environment. |
| The Minister | : The Minister of Climate Change and Environment. |
| Entity Concerned | : Any federal or local government entity concerned with the application of the provisions of the present Decree-Law. |
| Competent Authority | : The local authorities concerned in each emirate, including free zones. |
| Climate Change | : A change of climate which is attributed directly or indirectly to human activity that alters the composition of the global atmosphere and which is in addition to natural |

climate variability observed over comparable time periods.

Impacts of Climate Change : Effects of climate change on natural and human systems. Impacts generally refer to effects on lives, livelihoods, health, ecosystems, economies, societies, cultures, services, and infrastructure due to the interaction of climate changes or hazardous climate events occurring within a specific time period and the vulnerability of an exposed society or system.

Greenhouse Gases (GHGs) : Gases that contribute to the greenhouse effect and that absorb and re-emit infrared radiation, which contribute to the greenhouse effect, the most important of which are: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), Nitrogen trifluoride (NF₃), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs) and Sulphur hexafluoride (SF₆).

Emissions : Greenhouse gases released into the atmosphere as a result of human activities, altering the atmospheric chemical composition and contributing to air pollution and climate change.

Sources : Public and private legal persons, as well as individual enterprises, whose operations or activities result in the release of greenhouse gases into the atmosphere.

Sinks : Any process, activity or mechanism which removes a greenhouse gas, an aerosol or a precursor of a greenhouse gas from the atmosphere.

Climate Change Mitigation : A human intervention that reduces the sources of GHG emissions and/or enhances the sinks.

- Adaptation** : The process of adjustment to actual or expected climate and its effects to moderate or avoid harm or to exploit beneficial opportunities.
- Emissions Inventory** : A database of emissions emitted in the State and the measures being taken or expected to be taken to mitigate such emissions as well as the expected results, depending on sources and sinks.
- National Carbon Credit Registry** : A national record that keeps track of the amount of carbon emissions. It also includes information on carbon credits and carbon credit retirement.
- Carbon Offsetting** : Climate change mitigation actions undertaken to compensate for emissions by contributing to the release of clean gases. Such compensation can be mandatory or voluntary and may include contributing to or investing in projects or activities related to renewable energy, improving energy efficiency, afforestation, or other projects that would reduce greenhouse gas emissions in the atmosphere or eliminate and avoid emissions from other sources.
- Carbon Capture, Use and Storage (CCUS)** : A process of separating and capturing a relatively pure stream of carbon dioxide (CO₂) from industrial and energy-related sources to be used for other useful purposes (i.e. production of chemical material or components), or stored underground or in deep geological formations, usually at depths of 1 km or more, in order to be separated from the atmosphere for a long period.
- Climate Neutrality** : The idea of reducing greenhouse gas emissions and achieving a balance between emissions by sources and

removals by sinks, in accordance with the periods and plans approved by the State.

- Shadow Price of Carbon** : A theoretical or assumed price or cost per ton of carbon emissions. It is used by entities or enterprises to better understand the potential impact of external carbon pricing on the profitability of a project, or an investment
- Nationally Determined Contributions (NDCs)** : Measures that Parties to the Paris Agreement undertake in the areas of mitigation and adaptation, taking into account the different circumstances and capabilities of countries.
- Long-term Low Greenhouse Gas Emission Development Strategies** : A national strategy for development and reduction of long-term emissions, as a voluntary requirement for all Parties, under the Paris Agreement.

Article (2)

Objectives of the Decree-Law

The present Decree-Law aims at:

1. Managing emissions within the State so as to ensure effective contribution to international efforts aimed at mitigating the impacts of climate change and achieving climate neutrality.
2. Strengthening the capacity of ecosystems, economic sectors, and society to adapt to the impacts of climate change.
3. Supporting innovation, research, and development, utilizing modern technology, building capacities, enhancing the private sector's contribution, and leveraging international cooperation mechanisms to support the efforts of mitigation and adaptation in the State.
4. Sharing data related to emissions and the impacts of climate change at the national level, and supporting regional and international cooperation in the field of knowledge and data related to climate change.
5. Aligning national and local plans and strategies related to mitigation and adaptation, enhancing the State's position in global competitiveness indicators, and supporting

sustainable development efforts, green and circular economies, and economic diversification plans in the State.

Article (3)

Applicability

The provisions of the present Decree-Law shall apply to sources in the State, including free zones.

Article (4)

Climate Change Mitigation

Sources shall contribute to reducing their emissions in order to achieve climate neutrality. This shall be achieved through the application of one or more of the following means:

1. Improving energy efficiency.
2. Using clean energy.
3. Enhancing and protecting natural carbon sinks.
4. Carbon capture, use, and storage (CCUS).
5. Using alternatives to saturated fluorocarbons.
6. Carbon offsetting.
7. Implementing integrated waste management; or
8. Any other technologies or means determined by the Ministry and the competent authority or the entity concerned, as the case may be.

The Ministry may, after coordination with the entities concerned and the competent authorities, issue resolutions regarding the controls, standards, and requirements for the application of any of the means set forth in this Article.

Article (5)

National Pathway to Climate Neutrality

1. Based on a proposal from the Ministry and in coordination with the entity concerned and the competent authority, the Cabinet shall determine annual targets for emission reduction for

all sectors at the national level in accordance with the national pathway to climate neutrality, in line with the economic development priorities of each sector and by following international best practices. This shall contribute to enhancing the State's position in global competitiveness indicators. These targets shall be reviewed and updated periodically.

2. The competent authority shall, in coordination with the Ministry and the entity concerned, develop and periodically update the necessary plans and procedures for each sector to achieve the emission reduction target and ultimately achieve climate neutrality.

Article (6)

Measurement, Reporting, and Verification

1. Sources determined by the Ministry and the competent authority, in coordination with the entity concerned, shall:
 - a. Measure emissions emitted from their activities on a regular basis, prepare an emissions inventory, and submit periodic reports according to the standards specified by the Ministry or the competent authority, as the case may be, and take measures to reduce such emissions in accordance with the resolutions issued by the Ministry after coordination with the competent authorities and entities concerned.
 - b. Submit to the Ministry and the competent authority data on activities related to emissions, current emission reduction measures, planned future reduction measures, and the expected results of the reduction, in accordance with the forms approved by the Ministry.
 - c. Maintain a record of measured emission quantities for a period of five years from the date of each analysis, and enable employees of the Ministry and the competent authority who have the capacity of judicial officers to access such records during this period.
2. The Ministry shall, in coordination with the entity concerned and the competent authority, establish an electronic system for emission measurement mechanisms, mechanisms for submitting the required data in this regard, and mechanisms for linking with systems approved by the competent authorities and entities concerned, as the case may be.

3. The Ministry or the competent authority shall verify the accuracy of data on activities related to emissions and the extent to which sources are committed to submit the same.
4. The Ministry shall collect and analyze emission data and emission reduction measures on an annual basis.

Article (7)

Climate Change Adaptation Plans

1. The competent authority shall, in coordination with the Ministry and the entity concerned, develop and implement adaptation plans, each within its respective area of competence, in the sectors of infrastructure, energy, environment, health, insurance, and any other sector determined by the Ministry or the competent authority.
2. The Ministry shall, in coordination with the entity concerned and the competent authority, issue a resolution regarding the development of adaptation plans, including:
 - a. Assessment of the main climate-related risks in the sector.
 - b. Measures of response to risks and identified early warning systems.
 - c. Implementation of the plan and adaptation measures.
3. The competent authority and the entity concerned shall:
 - a. Submit to the Ministry data on economic and non-economic losses and damages resulting from the impacts of climate change and any other climate change-related data requested by the Ministry.
 - b. Notify the Ministry of the implementation of adaptation plans according to the requirements for each sector at the local level to be included in the international reports submitted to the secretariat of the United Nations Framework Convention on Climate Change (UNFCCC).

Article (8)

Climate Data and Science

1. The competent authority and the entity concerned shall provide the Ministry, on a regular basis or upon request, with any data, reports, and studies necessary for predicting and monitoring climate change and studying its impacts.
2. The Ministry shall, in coordination with the entity concerned and the competent authority, support and enhance local capacities and regional and international cooperation in the field of climate science and research.

Article (9)

Establishment of Climate Action Boards or Committees

The Cabinet may establish any boards or committees, which are composed of representatives of the federal and local government entities and the private sector, which are specialized in climate action, and which follow up on and evaluate climate change policies at the level of the State and propose appropriate solutions and measures to be submitted to the entities concerned as specified in the establishment resolution.

Article (10)

Incentives and Carbon Offsetting Mechanisms

1. The Ministry and the competent authority shall incentivize sources to adopt and develop new technologies and methods, and take advanced measures to reduce their emissions emitted, through the application of incentive policies and mechanisms, such as facilitating carbon offsetting activities, emissions trading, and adopting shadow prices of carbon, as well as other related policies and mechanisms.
2. The Ministry shall, in coordination with the entity concerned and the competent authority, adopt indicators for measuring climate performance upon studying project feasibility, with the aim of measuring the amount of emissions generated by the project during the construction and operation phases and the project's efficiency in adapting to climate change.

3. The Ministry shall establish and manage the National Carbon Credit Registry.

Article (11)

International Cooperation Mechanisms

The Ministry and the competent authority shall work through international cooperation mechanisms to strengthen the State's profile in mitigation and adaptation to the impacts of climate change.

Article (12)

Nationally Determined Contributions (NDCs)

1. The Ministry shall, in coordination with the competent authority and the entity concerned, approve the NDCs.
2. The NDCs shall be periodically reviewed.
3. The Ministry, the competent authority, and the entity concerned shall take all necessary measures to ensure compliance with the following:
 - a. Pledges contained in the NDCs and the long-term emission reduction strategy.
 - b. Pledges contained in the national adaptation plan, including the loss and damage report.

Article (13)

International Reports

1. The Ministry shall, in coordination with the entity concerned and the competent authority, prepare the reports required by the State to be submitted in accordance with the international obligations. The types and data of such reports shall be determined by a resolution of the Minister.
2. The entity concerned and the competent authority shall provide the data necessary for the preparation of international reports to the Ministry in accordance with the dates and data it specifies.

Article (14)

Capacity of Judicial Officers

Employees designated by a resolution of the Minister of Justice or the president of the local judicial authority, in agreement with the Minister or the chairman of the competent authority, each within his respective area of competence, shall have the capacity of judicial officers to detect violations of the provisions of the present Decree-Law and the resolutions issued in implementation thereof.

Article (15)

Penalties

Without prejudice to any more severe penalty stipulated in any other law, sources that commit any violation of the provisions of Clause (1) of Article (6) of the present Decree-Law shall be punished by a fine of not less than (AED 50,000) fifty thousand dirhams and not more than (AED 2,000,000) two million dirhams.

Article (16)

Repeating the Same Violation

The penalties stipulated in the present Decree-Law shall be doubled in case of repeating the same action within a period not exceeding (2) two years from the date of the final judgment of conviction.

Article (17)

Administrative Penalties

Notwithstanding any provision contained in any other law, the violations and administrative penalties for actions that violate the provisions of the present Decree-Law and the resolutions issued in implementation thereof, and the mechanism for filing complaints against such penalties as well as the entity to which the proceeds of administrative fines shall be rendered shall be

determined by a resolution of the Cabinet upon a proposal of the Ministry and in coordination with the Ministry of Finance, the competent authority, and the entity concerned.

Article (18)

Adjustment of Status

Sources subject to the provisions of the present Decree-Law shall adjust their status in accordance with the provisions of the present Decree-Law and the resolutions issued in implementation thereof, within (1) one year from the date of entry into force of its provisions. This period may be extended by a resolution of the Cabinet upon a proposal of the Minister.

Article (19)

Issuance of Implementing Resolutions

The Minister shall, in coordination with the competent authority and the entity concerned, the resolutions necessary for the implementation of the provisions of the present Decree-Law.

Article (20)

Repeals

Any provision that is contrary to or inconsistent with the provisions of the present decree-Law is hereby repealed.

Article (21)

Publication and Entry into Force

The present Decree-Law shall be published in the Official Gazette and shall enter into force nine (9) months after the date of publishing thereof.

Mohammed bin Zayed Al Nahyan

President of the United Arab Emirates

Issued by us at the Presidential Palace in Abu Dhabi,

On: 23 Safar 1446 AH

Corresponding to: 28 August 2024 AD