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ENVIRONMENT (REDUCTION OF GREENHOUSE GASES EMISSION)
ORDINANCE, 2023

FLARING AND VENTING RULES, 2025

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ENVIRONMENT (REDUCTION OF GREENHOUSE GASES EMISSION)
ORDINANCE, 2023

FLARING AND VENTING RULES, 2025

(Made under sections 10(1) and 57(1))

In exercise of the powers made under section 10(1) and read together with section 57(1) of the Environment (Reduction of Greenhouse Gases Emission) Ordinance, 2023 [*Cap. 85*], Majlis Mesyuarat Kerajaan Negeri has made the following Rules:

Citation and commencement

1. These Rules may be cited as the **Flaring and Venting Rules, 2025**, and shall come into force on such date as the Minister may, by notification in the *Gazette*, shall appoint.

Interpretation

2. In these Rules—

“Abnormal operation” refers to any technically unavoidable stoppages, disturbances, or failures of the plant or equipment outages during which the emissions into the air may exceed the carbon emission threshold;

“Board” has the same meaning assigned to it under the Natural Resources and Environment Ordinance [*Cap. 84 (1958 Ed.)*];

“Controller” has the same meaning assigned to it under the Natural Resources and Environment Ordinance [*Cap. 84 (1958 Ed.)*];

“commissioning” includes all activities associated with the commissioning of petroleum production facilities, fields or reservoir, gas processing plants, pipelines or terminals;

“Emergency event” refers to the emergency disposal of gas or gas streams required for the safe operation or any facility or plant based on its design and optimal efficiency;

“Minister” means the Minister having the responsibility for the environmental sustainability;

“normal operation” includes well tests, extended well test and well clean up;

“Ordinance” means the Environmental (Reduction of Greenhouse Gases Emission) Ordinance, 2023 [*Cap. 85*];

“Routine Flaring” refers to flaring of gas during normal oil production operations in the absence of sufficient facilities or amenable geology to re-inject the produced gas, utilize it on-site, or dispatch it to a market; and

“Venting” means the intentional and controlled release of scheduled gas into the atmosphere.

Flaring and Venting

3.—(1) No person shall carry out the activity of flaring and venting of petroleum or greenhouse gases in any part of the State, whether onshore or offshore, without the written consent of the Controller at:

- (a) oil and gas production facilities;
- (b) gas production and gas processing plants; and
- (c) terminals and facilities associated with the production and processing of petroleum,

during:

- (i) normal operation;
- (ii) commissioning stage;
- (iii) Emergency event; or
- (iv) Abnormal operation.

(2) Any flaring and venting of gas shall not be carried out except venting for process safety and operational safety of critical equipment.

Oil and Gas Development Plan

4.—(1) Any oil and gas developments, whether onshore or offshore, after the coming into force of these Rules, shall be planned, and designed on the basis of zero flaring and venting.

(2) The Development Plan should incorporate gas export or storage contingency and appropriate options to minimise flaring and venting during operational issues or maintenance periods.

(3) The Development Plan required under sub-rule (2) shall be submitted to the Controller together with the application for consent under rule 5.

(4) The Controller may require such Development Plan to be verified by an accredited external auditor.

(5) The Controller shall, when granting such consent for flaring and venting, ensure that his decision is in alignment with the World Bank Zero Routine Flaring by 2030 Initiative so as to eliminate flaring of petroleum gas in Sarawak.

Application for consent

5. Any application for consent required under section 10 of the Ordinance for flaring and venting of petroleum and greenhouse gases shall be made to the Controller in a form as may be determined by the Board together with an application

fee as prescribed in Part A of the Schedule, and shall be made within the period stipulated below:

- (a) in respect of normal operation for existing production facilities, gas processing plants, facilities, pipelines and terminals, within sixty days from date of coming into force of these Rules;
- (b) in respect of commissioning of any gas plant or oil and gas production facilities, including wells and extended wells, within sixty days prior to the date of commencement of any commissioning works or activities;
- (c) in respect of flaring or venting due to an Emergency event, within forty-eight hours from the time when the Emergency event first occurs;
- (d) in respect of Abnormal operation during temporary equipment failure such as a gas compressor, within forty-eight hours from when the Abnormal operation started.

Grounds and documents in support of application for consent

6.—(1) Every application for consent made under rules 5(a) and 5(b), to flare and vent petroleum and greenhouse gases shall be supported by a Flaring and Venting Management Plan which demonstrates:

- (a) flaring and venting and other emissions at the plant, facilities, wells or extended wells, pipelines and terminals are at the lowest possible levels having regard to the circumstances including the plant or facility or well design and structure, and production and processing or other activities thereat;
- (b) plans, measures and technological solutions to be adopted by the applicant to achieve net zero routine flaring and venting;
- (c) system deploying best available technology, to meter, monitor and manage the flare gas composition and flare combustion efficiency to ensure minimum greenhouse gases emissions resulting from flare activity, and to quantify, monitor and measure vent gas; and
- (d) such other information, particulars, data or analysis that the Controller may require to be incorporated into the Flaring and Venting Management Plan.

(2) Where an application is made for consent due to an Emergency event or Abnormal operation under rules 5(c) and 5(d) respectively, the applicant in support of his application shall state:

- (a) the cause of the Emergency event or Abnormal operation and a precise description thereof;
- (b) the number of days required to flare or vent the gas or streams for the safe operation of the plant, facility, well or terminal;

(c) system in place to meter, monitor and manage the flare gas composition and flare combustion efficiency to ensure minimum greenhouse gases emission resulting from flare activity;

(d) operational and optimisation changes to the management of the equipment and systems as well as to the safety of the plant, facility, well, pipeline or terminal to avoid occurrence of future Emergency event; and

(e) such other information, data or documents as the Controller may require.

Decision of the Controller

7.—(1) Upon receipt of an application made under rule 5, the Controller having considered the grounds and documents submitted under rule 6, may either:

(a) refuse to grant the consent sought; or

(b) grant such consent in the Form as prescribed in Part B of the Schedule upon such terms and conditions he may deem fit to impose.

(2) The consent shall:

(a) state the level of flaring and venting in respect of which consent is granted (hereinafter called the “consented level”);

(b) be for such period as the Controller may determine having regard to the circumstance of any particular case; and

(c) be granted for a single field or plant basis but if the existing petroleum production fields are tied into common facilities or a number of plants or pipelines is owned by the same person or corporation, a composite consent may be granted for all the fields, pipelines or plants.

(3)(a) Any person aggrieved with a decision of the Controller made under this Rule may within thirty days of being notified of that decision, appeal to the Minister who may either uphold the decision, vary or overrule the same on such terms and conditions as the Minister may deem fit and proper.

(b) The decision of the Minister made under this Rule shall be final.

Special Conditions for consent for flaring and venting

8.—(1) Without prejudice to rule 7(1)(b), the consent granted by the Controller shall be in the Form as prescribed in Part B of the Schedule, and subject to the following special conditions:

(a) an undertaking that the applicant shall reduce flaring and venting of petroleum and greenhouse gases in accordance with the World Bank Zero Routine Flaring Initiative;

(b) submission to the Controller, the flaring and venting data by uploading such data to a publicly accessible database portal to be maintained by the Controller on a monthly basis within twenty-one calendar days after the reporting month finishes and that the methodology for the compilation of such data meets the standards of accuracy acceptable to the Controller and in accordance with guidelines issued from time to time by the Controller;

(c) the consented levels of flaring and venting and where applicable, the days or period whereby such flaring or venting is permitted;

(d) the applicant to notify the Controller in writing where venting and flaring is forecast or projected to exceed the consented level together with a detailed remedial plan including proof of availability of funds to implement the plan or a plan to reduce or curtail production or operational activity to minimize flare and venting quantities and associated emissions;

(e) reduction of flaring and venting initiatives and measures to be undertaken by the applicant and where applicable, system and operational improvements to be undertaken by the applicant to minimize the occurrence of Emergency event and Abnormal operation;

(f) the applicant to notify the Controller of:

(i) any planned blowdown to be carried out to facilitate maintenance of plant, wells, pipelines or other facilities; and

(ii) closure of any plant, wells, pipelines or facility to which the consent relates whereby the consent if not expired shall be returned to the Controller for cancellation;

(g) the applicant, owner or operator shall jointly and severally indemnify the Government of Sarawak, the Board and Controller for any damage, injury or harm caused to any person or property in consequent to any flaring or venting of petroleum or greenhouse gases pursuant to any consent granted by the Controller.

(2) Any person who breaches the special conditions in sub-rule (1) shall be guilty of an offence.

Breach of consented level

9.—(1) No owner or operator of any plant, well, pipeline or facility shall flare or vent or cause his plant, well, pipeline or facility to flare or vent petroleum or greenhouse gases in excess of consented level stipulated in the Form as prescribed in Part B of the Schedule.

(2) Where the flaring or venting of petroleum or greenhouse gases exceeds the consented level specified in the form as prescribed in Part B of the Schedule, and the owner or operator of the plant, well, pipeline or facility is unable or unwilling to reduce the flaring or venting to the consented level within such period as the

Controller shall specify in writing, the Controller may cancel the consent without further notice to the owner or operator.

(3) Where the owner or operator of a plant, well, pipeline or facility continues to flare and vent petroleum or greenhouse gas after the cancellation of the consent by the Controller under sub-rule (2), he commits an offence.

(4) The commission or prosecution of any person for offence under sub-rule (3) shall not prejudice the rights of the Controller to issue a Stop Order under section 10(2) of the Ordinance.

Variation of consent

10.—(1) The consented level for flaring and venting at any plant, well, pipeline or facility and any terms and conditions stipulated for the grant of the consent by the Controller may be varied upon application by the owner or operator thereof.

(2) The consented levels shall not be varied except for the following grounds:

(a) to implement measures provided in the Flaring and Venting Management Plan so as to reduce or eliminate flaring and venting;

(b) the variation of the consented levels would still enable the plant wells, pipelines or facility to achieve zero routine flaring;

(c) there has been no breach of any special conditions stipulated in rule 7 at the date of the application; or

(d) any other situations which the Controller deems fit.

(3) Where the application for variation of consented level is rejected by the Controller, the owner or operator of the plant, well, pipeline or facility shall ensure that the consented levels are adhered to, and all terms and conditions attached to the consent are complied with.

Extension of period of consent for flaring or venting

11. The Controller may extend the period for the consent for flaring and venting on application by the owner or operator of the plant, well, pipeline or facility upon satisfying that—

(a) there are just and reasonable grounds for the extension to be granted;

(b) the grant of extension would still enable the plant, well, pipeline or facility to achieve zero routine flaring and venting; and

(c) there has been no breach of the special condition stipulated in rule 7 at the date of the application for extension of the consent period.

Entry and Inspection

12.—(1) The Controller or any person specially authorized by him, may enter upon any plant, wells, pipelines or facility to inspect the same for the purposes of ensuring due compliance with these Rules and to take copies of any documents relevant to any investigation in respect of which entry is made upon the plant, well, pipeline or facility.

(2) Any person who obstructs, impedes or assists in obstructing, impeding the Controller or any person specially authorized by him in exercising his duty under sub-rule (1) shall be guilty of an offence.

Appointment of advisors, consultants, etc.

13.—(1) The Controller, with the approval of the Board, may appoint such number of advisors, consultants and experts to assist and advise him in the discharge of performance of the duties, functions and responsibilities vested in him under these Rules.

(2) All advisors, consultants and experts appointed under sub-rule (1) shall receive such remuneration, fees, allowances and other benefits as may be approved by the Board.

Authority of Controller to issue guidelines, directions, etc.

14. The Controller, may issue such guidelines and directions, not inconsistent with these Rules, as he deems necessary or appropriate, to facilitate the implementation, clarification and enforcement of these Rules.

Record of all consents granted

15.—(1) The Controller shall keep a register of all consent for flaring and venting of petroleum or greenhouse gases granted by him pursuant to these Rules including details of the consented levels of petroleum or greenhouse gases to be flared or vented, the duration of the consent and measures taken by the owner or operator of the plant or facility to eliminate routine flaring.

(2) The register kept under sub-rule (1) shall be opened for inspection by any person upon payment of the fees prescribed in Part A of the Schedule.

Amendment to the Schedule

16. Majlis Mesyuarat Kerajaan Negeri may, by notification in the *Gazette*, amend or modify the Schedule.

SCHEDULE

PART A

FEES

(Made under rules 5 and 15)

	<i>Item</i>	<i>Fees To Be Charged (RM)</i>
1.	Application fee for consent to flare and vent petroleum and greenhouse gas (with period of one year for normal operation)	20,000.00
2.	Application fees for consent to flare and vent petroleum and or greenhouse gas (with a maximum of one week for commissioning, Emergency events and Abnormal operations)	5,000.00
3.	Extension of consented period (with a maximum of one week for commissioning, Emergency events and Abnormal operations)	2,500.00
4.	Variation of consented levels	5,000.00
5.	Variation of terms and conditions of consent	6,000.00
6.	Amendment of Oil and Gas Development Plan	30,000.00
7.	Appeal to the Minister against decision of the Controller	7,500.00
8.	Inspection of Register kept under rule 15	1,000.00

PART B
FORM OF CONSENT
(Made under rules 7, 8 and 9)



**FORM OF CONSENT
TO FLARE AND VENT PETROLEUM OR GREENHOUSE GAS**
RESTRICTIONS ON FLARING AND VENTING RULES, 2025
(Rules 7, 8 and 9)

Approval Reference No:

PART 1 – REQUIREMENT OF FLARING OR VENTING
(Please tick appropriate box)

- 1.1 Normal operation for existing production facilities, gas processing plants, facilities, pipelines and terminals
(Application to be submitted within 60 days from date of coming into force of the Rules)
- 1.2 Commissioning of any gas plant or oil and gas production facilities, including wells and extended wells
(Application to be submitted within 60 days prior to the date of commencement of any commissioning work)
- 1.3 Emergency Event
(Application to be submitted within 48 hours from the time when the Emergency Event first occur)
- 1.4 Abnormal operation
(Application to be submitted within 48 hours from when the Abnormal operation started)

PART 2 – APPLICANT INFORMATION

No.	Item	Details
1	Entity Registered Name	
2	Registration No.	
3	Registered Address	
4	Name of Authorized Representative	

5	Authorized Representative Position		
6	Email Address		
7	Phone Number		
8	Fax Number		
PART 3- FACILITY INFORMATION			
1	Facility Name		
2	Facility Location / GPS Coordinates		
PART 4 – APPROVAL DETAILS			
No.	Item	Details	
1	Consent granted for	<input type="checkbox"/> Flaring <input type="checkbox"/> Venting	
2	Approved Duration (estimated date)	Start Date:	End Date:
3	Consented Level of Gas to be Flared/ Vented (mmscf/d)		
PART 5 – TERMS OF CONDITIONS OF APPROVAL			
1. General Conditions			
1.1 This approval is granted based on the information provided in the application and is valid only for the specified duration.			
1.2 The applicant must comply with all relevant local, state, and federal environmental laws and regulations.			
1.3 Any changes to the flaring or venting operations, including volume or composition of gas, must be reported to the authority immediately and may require a new approval.			
1.4 This approval is non-transferable. Any change in ownership or operational control of the facility requires a new application for consent.			
2. Operational Conditions			
2.1 The approved volume of gas to be flared or vented must not exceed the consented level.			
2.2 Flaring and venting must only occur within the approved duration.			
2.3 The composition of the gas to be flared or vented must be monitored regularly to ensure compliance with the specified limits.			
2.4 Flaring and venting operations must be conducted in a manner that minimizes the release of harmful pollutants and greenhouse gases.			
2.5 The facility must maintain and operate flaring and venting equipment in accordance with manufacturer specifications and industry best practices.			
3. Environmental Impact Mitigation			
3.1 The applicant must implement all proposed environmental impact mitigation measures as detailed in the Flaring and Venting Management / Risk Plan.			

3.2	Regular environmental monitoring must be conducted to assess the impact of flaring and venting activities on air quality and surrounding ecosystems.
3.3	The applicant must submit quarterly environmental impact reports to the authority, detailing the results of monitoring activities and any mitigation measures taken.
3.4	The applicant shall reduce flaring and venting of petroleum and greenhouse gases in accordance with the World Bank Zero Routine Flaring Initiative to eliminate routine flaring and venting.
4. Reporting and Record-Keeping	
4.1	The applicant must maintain detailed records of all flaring and venting activities, including volumes, dates, times, and gas composition.
4.2	All records must be kept for a minimum of ten (10) years and made available to the authority upon request.
4.3	The flaring and venting data must be submitted to the Controller on a monthly basis within 21 calendar days after the reporting month finishes, and the methodology for the compilation of such data must meet the standard of accuracy acceptable to the Controller.
4.4	Any incidents or deviations from the approved conditions must be notified to the Controller in writing with a detailed remedial plan, including proof of availability of funds to implement the plan or a plan to reduce or curtail production or operational activity to minimize flare and venting quantities and associated emissions.
5. Compliance and Enforcement	
5.1	The Controller reserves the right to inspect the facility and its operations at any time to ensure compliance with the conditions of this approval.
5.2	Non-compliance with any condition of this approval may result in enforcement actions, including fines, revocation of approval, or other legal measures.
5.3	The applicant is responsible for any environmental damage resulting from non-compliance with these conditions and must undertake necessary remediation at their own expense.
PART 6 – APPROVAL BY THE CONTROLLER	
This consent is issued based on the information provided in the application and is subject to the conditions stated above. Non-compliance with any of the conditions may result in the revocation of this consent.	
<p style="text-align: center;">..... Controller Of Environmental Quality Sarawak</p> <p style="text-align: center;">Dated this day of.....20.....</p>	
PART 7- ACCEPTANCE OF TERMS OF CONDITIONS BY THE APPLICANT	
I, the undersigned, do hereby undertake to comply with all the terms and conditions prescribed in the FORM OF CONSENT TO FLARE AND VENT PETROLEUM OR GREENHOUSE GAS , Ref.: issued by the Natural Resources and Environment Board (NREB), Sarawak dated	
<p>Signed for and on behalf of [ENTITY REGISTERED NAME] [REGISTERED ADDRESS] (As Applicant)</p> <p>Authorized Representative Signatory</p> <p>Name :</p>	

I.C. Number	:
Designation	:
Date	:
Witnessed by:	
Authorized Signatory	
Name	:
I.C. Number	:
Designation	:
Date	:

Made by the Majlis Mesyuarat Kerajaan Negeri this 24th day of October, 2024.

DATU AZLAN BIN HAJI ALI BADRI
Clerk to Majlis Mesyuarat Kerajaan Negeri

(9) MEESty(S)/100-3/5/10 Jld 1

SARAWAK LAWYERS

