

Establishing a Culture of Safety and Environmental Protection in the Hydrocarbons Sector in Mexico

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- Energy Reform
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Energy Reform: New Institutional Arrangement

Article 19th Transitory of the Constitution

"...to regulate and supervise in terms of industrial and operational safety and environmental protection, the facilities and activities of the hydrocarbons' sector..."

- A decentralized agency from the Ministry of Environment (SEMARNAT) is created starting operations in March 2015.
- The responsibilities of hydrocarbon resources management and those of industrial safety are separated.



Energy Reform: New Institutional Arrangement

Ministry with the main attributions in the hydrocarbons' sector

Ministry of Energy (SENER)

Dictates the Energy Policy and promotes investment

Technical Regulators with attributions in the hydrocarbons' sector

Agency for Safety Energy and Environment (ASEA)

National Hydrocarbons Commission (CNH)

Regulates and supervises Industrial and Operational Safety and Environmental Protection

Awards contracts for exploration and production of hydrocarbons



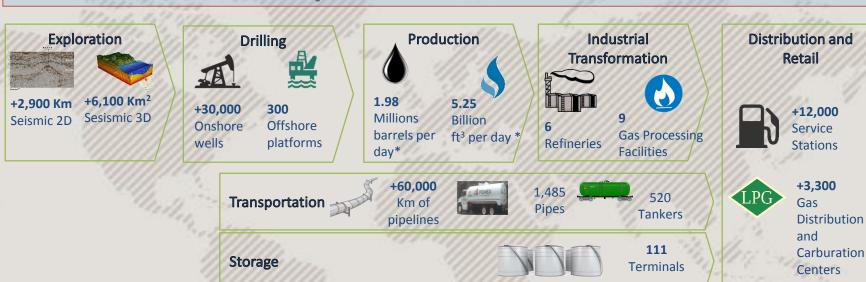
Energy Reform: ASEA's Scope

To Regulate

To Supervise

- Process and Industrial Safety
- Environmental protection

Hydrocarbons



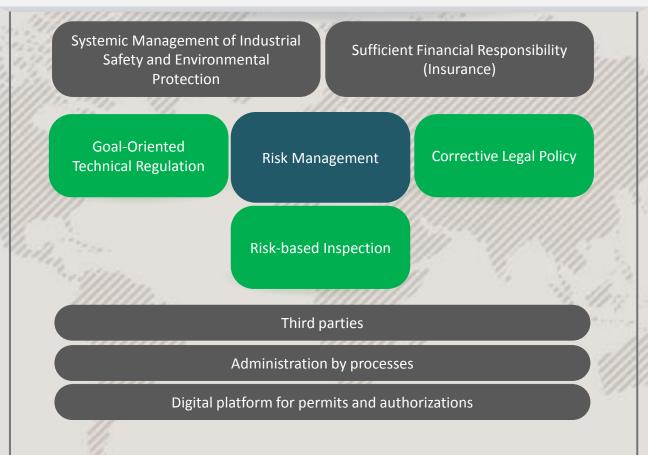
^{*} Pemex y CNH (2017)



Risk Management Model

ASEA's Mission

To guarantee individuals' safety and environmental integrity with legal, procedural and cost-effectiveness certainty in the hydrocarbons sector.





Goal – Oriented Technical Regulation issued by ASEA

Preventive Regulatory Guidelines:

- Safety and Environmental Management Systems (SEMS)
- Exploration and Production
 - Insurance
- Exploration and Production in non-conventional fields

Reactive Regulatory Guidelines:

- Incidents and Accidents Report (IAR)
- Root Cause Investigation (RCI)



Final remarks

- ASEA: Technical Regulator with a comprehensive Constitutional mandate for regulating and supervising the entire value chain of the hydrocarbons industry in Mexico.
- Clear objectives on risk management: The Regulated Entities are responsible for managing the risk inherent to their activities.
- Total preventive approach: Technical guidelines that allow Regulated Entities to operate under safe conditions.
- ASEA colaborates closely with other entities of the federal administration in the implementation of the Energy Reform.