

ATTRIBUTIONS OF THE AGENCY (LEGISLATION)

The National Agency for Industrial Safety and Environmental Protection of the Hydrocarbons Sector (ASEA) acts within the framework of the following legislation:

- General Law of Ecological Balance and Environmental Protection (LGEEPA).
- Regulation of the General Law of Ecological Equilibrium and Protection Environmental Impact Assessment (REIA).
- Hydrocarbons Law.
- Internal Regulations of the National Agency for Industrial Safety and Protection of the Environment of the Hydrocarbons Sector.
- Official Mexican Standards.
- Administrative Provisions.
- Environmental Criteria Guides.
- Exploration and Extraction Guidelines.

These provisions are intended to ensure the safety of people and the integrity of the environment with legal and procedural certainty.

Executive Director

Permits and Authorizations
Unit

ADMINISTRATIVE UNIT IN MATTERS OF
CONVENTIONAL AND UNCONVENTIONAL RESOURCES

DGGEERC

DGGEERNC

Administrative Provisions

1.- Impact and Environmental Risk

LGEEPA, REIA

2.- Environmental Baseline

Tender contract, Migration, Farmaout,
CNH-Regulated

3.- Administration Systems SISOPA

Unique Regulated Registration Code
(CURR); Authorization; Tracing

4.- Insurance and Financial Guarantees

- Civil Liability
- Liability for environmental damage
- Well control

1.-Environmental Impact Assessment (EIA):

- **What is it ?:** It is the procedure by which the environmental feasibility of a Project prior to its realization is analyzed.
- **What does it contemplate ?:** The analysis, evaluation and judgment of a Project through an Environmental Impact Manifestation.
- **What is resolved ?:** The origin or denial of a Project in a certain site.

2.-Study of the Environmental Base Line (LBA):

- **What is it ?:** It is the report through which the environmental conditions of the site are disclosed before and after carrying out any oil activity (Photograph of the site). Applies to oil activities under Contract.
- **What does it contemplate ?:** The analysis of the results obtained to determine the environmental conditions in which the environmental components are found in the Contract Area, as well as the identification and registration of pre-existing damages and environmental damages.
- **What is resolved ?:** The corresponding opinion about what was stated in the LBA study to the CNH.

3.-Safety and Environmental Management System (SASISOPA):

- **What is it ?:** It is a tool that provides a preventive approach that mitigates the risks inherent to each operation throughout the life cycle of the projects. These systems are regulated by ASEA, through the Administrative Provisions of General Character that establish the Guidelines for the conformation, implementation and authorization of the SASISOPA.
- **What does it contemplate ?:** The mandatory by the Regulated to have a Management System that allows them to Manage Industrial Safety, Operational Safety and Environmental Protection in all activities carried out in a project related to the Hydrocarbons sector.
- **What is resolved ?:** An Authorization for the System of Administration of Industrial Safety, Operational Safety and Environment, necessary and mandatory, to operate a contractual area.

4.- Insurance and Financial Liabilities:

- **What is it ?:** Are the acquisition of guarantees or any other financial instrument necessary for the Regulated to have contingent financial coverage against damages or losses that may arise.
- **What does it contemplate ?:** Civil liability to deal with damages that may be generated against third parties outside the operations of the hydrocarbons sector; the responsibility for environmental damages to cover the costs and expenses from the attention to the emergency until the remediation or compensation in case of unexpected and unexpected environmental events. For hydrocarbon exploration and extraction activities, coverage against damages and prejudices caused to third parties outside the operations of the hydrocarbon sector and the environment due to a lack of control of wells.
- **What is resolved ?:** The attention and, where appropriate, compensation for damages to third parties outside the hydrocarbon sector, in their assets or in their persons, arising from sudden and unforeseen events caused by activities of the hydrocarbon sector.

- Environmental impact assesment:

- Procedure through which the ASEA establishes the conditions to be subject to the execution of works and activities that may cause ecological imbalance or exceed the limits and conditions established in the applicable provisions to protect the environment and preserve and restore ecosystems, in order to avoid or minimize its negative effects on the environment. (LGEEPA, Article 28)

Mandatory
character

Environmental
viability

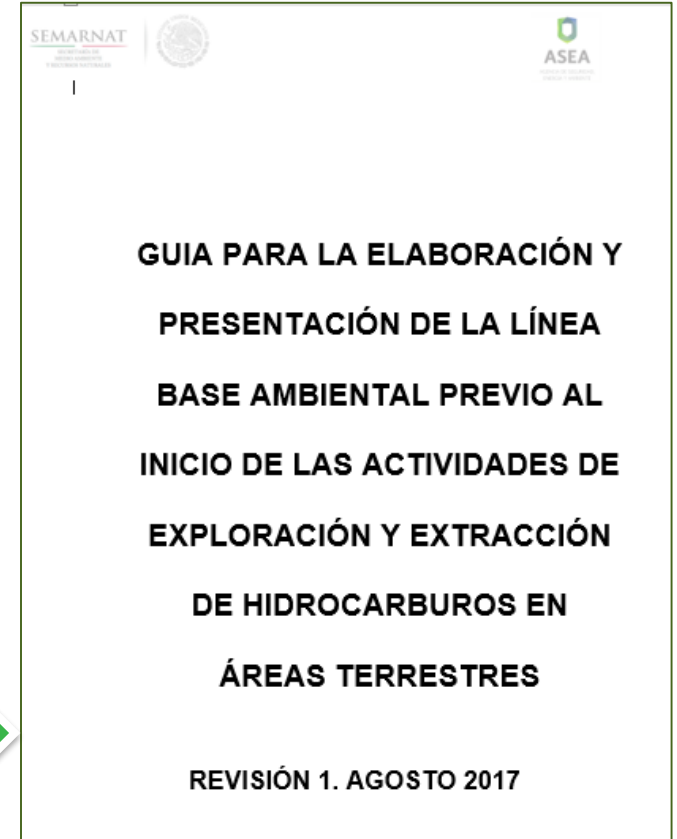
Preventive
approach

- Planning
Instruments:
- POET
- ANP
- RAMSAR
- RTP, RHP, RMP
- AICAS
- UMA

- 1) Preventive Report (IP).
- 2) Environmental Impact Assesment Particular modality (MIA-P).
- 3) Environmental Impact Assesment Regional modality (MIA-R).

- Environmental Baseline (LBA):

- Report delivered by the Regulated.
- It can be carried out by a Consultant with sufficiency and technical expertise.
- Contains environmental information of the contractual area and
- Contains the record of environmental damage and pre-existing damage.
- It is determined prior to the realization of any oil activity.
- It is an input for the Manifestation of Environmental Impact



Environmental damage: It is the one that occurs on an environmental element as a result of an adverse environmental impact.

Pre-existing damages: Environmental liabilities present in the Contract Area, identified in the LBA

- Industrial Safety Management System, Operational Safety and Environmental Protection (SASISOPA):

It establishes the obligations of the Regulated in matters of Industrial Safety, Operational Safety and protection to the environment, among which is to have an Administration System that considers the entire life cycle of the facilities, including their abandonment and dismantling.

He SASISOPA allows:

- Strengthen the safety of people and the environment in the development of oil activity.
- The identification of hazards and risk analysis in processes.
- Develop Emergency Response Plans and Contingencies.
- Develop an organizational culture of improvement oriented to the prevention of accidents and incidents through preventive maintenance programs for security installations and equipment, simulation programs, among others.

- Insurance and Financial Guarantees:

This provision establishes that:

The Assignees, Contractors, Authorized and Performers will execute the actions of prevention and of reparation to the environment or the ecological balance that they cause with their activities and will be obliged to cover the expenses inherent to said repair, through the financial coverage process.

Object:

- Protection of people.
- Environment.
- Installations of the hydrocarbon sector

DACG
Insurance:

- Civil Liability
- Liability for environmental damage
- Well control

- Importance of environmental impact assessment instruments:

As a whole, the administrative technical procedures used in the ASEA are important in:

- The analysis of the possible effects of the works or activities in the ecosystem or in question.
- The economic feasibility, social benefit and reasonable use of natural resources.
- The certainty about the environmental viability of a Project.
- The identification of environmental damage, pre-existing damage.
- The prevention, control and improvement of the performance of a facility or group of them.
- The implementation of additional security measures in equipment with greater risk.
- The implementation of national and international best security practices.
- The safety of people and the environment in the development of oil activity.
- Legal certainty to the Regulated.
- The control and monitoring.
- Facing possible contingencies with financial guarantees against damages or losses that could be generated.

Considerations established in the Resolutions regarding Environmental Impact regarding the Socio-Environmental scope:

The Administrative Unit that deals with the environmental impact assessment takes into consideration within its Resolutions two elements in which they touch on the Social field:



Public Consultation within its Procedure of Evaluation of the EIA (Article 34 of the LGEEPA)



The Secretariat, at the request of any person of the community concerned, may carry out a public consultation



Public Information Meeting for (Article 34 fraction III of the LGEEPA)



III.- In the case of works or activities that may generate serious ecological imbalances or damage to public health or ecosystems, in accordance with the provisions of the regulations of this Law, the Secretariat, in coordination with local authorities, may organize a public meeting of information in which the promoter will explain the technical environmental aspects of the work or activity in question.

! THANK YOU FOR YOUR ATTENTION !