

COLEGIO DE TRADUCTORES DEL PERÚ

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**CITIZEN PARTICIPATION REGULATIONS
FOR HYDROCARBON ACTIVITIES**



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**CITIZEN PARTICIPATION REGULATIONS
FOR HYDROCARBON ACTIVITIES**

SUPREME DECREE N° 002-2019-EM

THE PRESIDENT OF THE REPUBLIC

WHEREAS:

According to the provisions set forth in Articles 2 and 3 of the Single Revised Text of Law N° 26221, Organic Hydrocarbon Law, approved by Supreme Decree N° 042-2005-EM, published on October 14, 2005, the State promotes Hydrocarbon Activities in keeping with the principles of free competition and free access to conduct economic activities in order to achieve people's wellbeing and national development, for which purpose the Ministry of Energy and Mines is responsible for drawing up, approving, proposing and applying the Sector's policy and issuing all other relevant legal rules;

Article 6 of the aforementioned legal rule provides that PERUPETRO S.A. is the State company in charge of promoting investment in Hydrocarbon exploration and exploitation activities, for which purpose it is responsible for negotiating, signing and overseeing contracts and technical evaluation agreements, and coordinating with the competent entities the fulfillment of legal rules dealing with the conservation of the environment;

Law N° 27446, Law on the National Environmental Impact Assessment System (SEIA for its acronym in Spanish), published on April 23, 2001, has established a standard procedure which describes the requirements, stages and scope of the environmental impact assessment, and the mechanisms to be used to ensure Citizen Participation, including the participation of indigenous or native peoples, as the case may be, in the aforesaid assessment process;

Supreme Decree N° 019-2009-MINAM, which approved the Regulations under Law N° 27446, Law on the National Environmental Impact Assessment System, published on September 25, 2009, provides that Citizen Participation is a dynamic, flexible and inclusive process supported by a series of methods and mechanisms which are aimed at promoting a broad exchange of information, carrying out consultation processes, engaging in dialogue, building consensus, improving projects, and making decisions in general in all stages of the environmental impact assessment process;

Supreme Decree N° 012-2008-EM approved the Citizen Participation Regulations for Hydrocarbon Activities. Article I of the Preliminary Title thereof provides that the purpose of this legal rule is to establish Citizen Participation guidelines aimed at: i) standardizing the legal framework, ii) strengthening the right of access to information and the right to Citizen Participation in environmental and social management, and the rights of Indigenous Peoples and the Population concerned, iii) optimizing the environmental and social management of Hydrocarbon Investment Projects, iv) providing the competent authority with sufficient information for it to make environmental and social management decisions, and v) promoting harmonious relations between the population, the State and companies;

Ministerial Resolution N° 571-2008-MEM-DM approved Citizen Participation Guidelines for Hydrocarbon Activities, establishing the procedures to be followed and mechanisms to be applied during the contract negotiation and bidding process, the preparation and evaluation of Environmental Assessments, and the follow-up and control of the

environmental aspects of Hydrocarbon Projects and Activities, in order to encourage the population concerned and their regional, local and community authorities and representative entities to become more thoroughly involved therein in order to become aware of their perception about the hydrocarbon activities to be carried out;

Supreme Decree N° 011-2018-EM, published on May 23, 2018, repealed Supreme Decrees N° 006-2018-EM, N° 007-2018-EM, N° 008-2018-EM, N° 009-2018-EM and N° 010-2018-EM, which approved the License Contracts for the Exploration and Exploitation of Hydrocarbons in Blocks Z-64, Z-65, Z-66, Z-67 and Z-68, respectively, bearing in mind the need to optimize the Citizen Participation process;

As a result of the repeal of the aforementioned License Contracts for the Exploration and Exploitation of Hydrocarbons, it was deemed convenient to design and implement mechanisms to guarantee the right of access to information and the right to Citizen Participation in decisions dealing with public matters, like the sustainable use of hydrocarbons;

Article 3 of Supreme Decree N° 011-2018-EM established a term of one hundred and twenty (120) days counted as from the entry into force of said Supreme Decree for the approval of new Citizen Participation Regulations for Hydrocarbon Activities;

According to the provisions laid down in item d) of Article 7 of the Regulations under Law N° 27446, Law on the National Environmental Impact Assessment System, the Ministry of the Environment, by Official Letter N° 779-2018-MINAM/VMGA/DGPIGA, submitted Report N° 991-2018-MINAM/VMGA/DGPIGA, pursuant to which it issued its Prior Favorable Opinion;

As provided for in paragraphs 8 and 24 of Article 118 of the Political Constitution of Peru, Article 3 of the Single Revised Text of Law N° 26221, Organic Hydrocarbon Law, approved by Supreme Decree N° 042-2005-EM, and the Regulations governing the Organization and Functions of the Ministry of Energy and Mines, approved by Supreme Decree N° 031-2007-EM, as amended;

HEREBY DECREES:

Article 1.- Approval

The Citizen Participation Regulations for Hydrocarbon Activities, consisting of fifty-eight (58) Articles, four (4) Final Complementary Provisions, and one (1) Transitory Complementary Provision, which form an integral part of this Supreme Decree, are hereby approved.

Article 2.- Publication

This Supreme Decree and the Regulations approved under Article 1 hereof are to be published in the Official Gazette "El Peruano", on the institutional website of the Peruvian State (www.peru.gob.pe), and on the institutional website of the Ministry of Energy and Mines (www.minem.gob.pe), on the same date they are published in the Official Gazette "El Peruano".

Article 3.- Repeal

The Citizen Participation Regulations for Hydrocarbon Activities approved by Supreme Decree N° 012-2008-EM are hereby repealed, except for the First Complementary Provision thereof. Moreover, the Citizen Participation Guidelines for Hydrocarbon Activities approved by Ministerial Resolution N° 571-2008-MEM-DM are also hereby repealed.

Article 4.- Financing

The implementation of this legal rule, to the extent applicable, is to be financed out of funds to be drawn from the institutional budget of the entities concerned, without any application being submitted to the Public Treasury for additional funds.

Article 5.- Countersigning

This Supreme Decree is countersigned by the Minister of Energy and Mines and by the Minister of the Environment.

Given at the House of Government, in Lima, on this 4th day of January, 2019.

MARTÍN ALBERTO VIZCARRA CORNEJO

President of the Republic

FABIOLA MUÑOZ DODERO

Minister of the Environment

FRANCISCO ISMODES MEZZANO

Minister of Energy and Mines

CITIZEN PARTICIPATION REGULATIONS FOR HYDROCARBON ACTIVITIES

TITLE I

GENERAL

Article 1.- Purpose

These Regulations are aimed at establishing mechanisms to:

- a) Strengthen the right of access to information and the right to Citizen Participation among the population involved in social and environmental management processes.
- b) Optimize the management of social and environmental matters in carrying out Hydrocarbon Activities.
- c) Provide the Competent Entities with sufficient information for them to make decisions related to the management of social and environmental matters in carrying out Hydrocarbon Activities.
- d) Promote harmonious relations among the population, the State, and companies.

Article 2.- Scope of application

These Regulations apply to all local or foreign individuals or legal entities governed by public or private law, or mixed capital companies, which are planning to carry out and/or already conduct Hydrocarbon Activities in the national territory, according to the legal rules in force.

Article 3.- Principles and Approaches

Citizen Participation for Hydrocarbon Activities is governed by the following principles and approaches:

a) Equality of rights: The Citizen Participation process is governed by the Principle of Equality, pursuant to which all individuals or legal entities are entitled to be treated equally by the law. Nobody should be discriminated against on grounds of origin, race, sex, language, religion, opinion, economic status, etc.

b) Good faith: Competent Entities, Regional Governments, Local Governments, representative organizations and the population at large have a duty to act responsibly and show respect for the rules governing the Citizen Participation process. Institutions and people involved in the Citizen Participation process must voice their opinions in an environment where confidence, collaboration, and mutual respect prevail.

c) Human rights-based approach: The Citizen Participation process is governed by a human rights-based approach, which includes a series of national and international regulations, ethical principles exercised on an individual and institutional basis, and public policies applied by the State where both public and private stakeholders are involved, empowering Right Holders to exercise and enforce their rights. It is materialized through attitudes which put the equal dignity ideal into practice, promoting changes in the living conditions of the most vulnerable populations. The human rights-based approach enshrines some principles guiding the actions of companies and individuals: protection, respect, and remediation.

d) Gender approach: The Competent Entities must promote the involvement of women and men on an arm's length basis, bearing in mind the social and cultural characteristics of the population, in all stages of the Citizen Participation process.

e) Flexibility: Citizen Participation is a dynamic and flexible process which is carried out as outlined in the Citizen Participation Plan and/or in the provisions of these Regulations. The process should consider the circumstances and characteristics of the population concerned, the social context, and the different project stages, including the circumstances and special characteristics of the indigenous or native peoples concerned, as appropriate.

f) Interculturality: The Citizen Participation process is carried out in a way that values, respects, acknowledges, and adapts to cultural differences while showing respect for human rights, incorporating people's vision and concepts of wellbeing and development, bearing in mind their cultural relevance based on geographic, environmental, social, economic, linguistic and cultural characteristics, in order to promote intercultural citizenship based on dialogue and the differential treatment of indigenous and Afro-Peruvian peoples.

g) Continuous improvement: A permanent process to improve Citizen Participation mechanisms by incorporating measures that make the process effective and result in the proper conduct of Hydrocarbon Activities, bearing in mind the social environment and technological and scientific breakthroughs available.

h) Transparency: The Competent Entities must act transparently in all stages of the Citizen Participation process, establishing suitable participatory mechanisms which will allow accessing and disclosing enough information on a continuous basis.

Article 4.- Responsible Citizen Participation

The parties involved in Citizen Participation processes are responsible for the fulfillment of these Regulations.

Behaviors hindering the proper conduct of Citizen Participation processes can give rise to liability for obstructive behavior, according to the applicable legal rules.

Article 5.- Definitions

For purposes of the application of these Regulations, the following terms shall have the following meanings:

a) Hydrocarbon Activities: According to the provisions set forth in Supreme Decree N° 032-2002-EM, which approved the Glossary of Terms for Hydrocarbon Activities, as amended, Hydrocarbon Activities shall be understood to mean those activities carried out by duly authorized companies engaged in Hydrocarbon Exploration, Exploitation, Processing, Refining, Storage, Transportation or Distribution, including Hydrocarbon Commercialization activities.

b) In-Person Event: A meeting called by PERUPETRO S.A. to provide information to the population on the Hydrocarbon Activities intended to be carried out in a specific area, listening to their perceptions, doubts and concerns regarding said activities.

c) Environmental Assessments: Environmental Management Instruments falling within the sphere of competence of the National Environmental Impact Assessment System (SEIA), there being three categories: Environmental Impact Statement (DIA for its acronym in Spanish), Semi-Detailed Environmental Impact Assessment (EIA-sd for its acronym in Spanish), and Detailed Environmental Impact Assessment (EIA-d for its acronym in Spanish).

d) Complementary Environmental Management Instruments: Other instruments such as the Abandonment Plan, Partial Abandonment Plan, Rehabilitation Plan, Supporting Technical Report, Soil Decontamination Plans, Remediation Plans, Liabilities Abandonment Plan, Detailed Environmental Plan, etc. Moreover, this term also includes instruments approved under sector-based environmental regulations and within the terms established therein, such as approved Environmental Adjustment and Management Programs, Environmental Adjustment Plans, Detailed Environmental Plans and Environmental Management Plans, as amended and updated.

e) Communication and Information Disclosure Mechanisms: They refer to publications made by PERUPETRO S.A on its Institutional Website or on other culturally relevant sites, which allow correctly and timely communicating and disclosing information related to the Negotiation or Bidding and Signing of Hydrocarbon Exploration and/or Exploitation Contracts.

f) Citizen Participation Mechanisms: Instruments aimed at guaranteeing access to information and Citizen Participation in a responsible, timely and adequate manner, in order for the Competent Authorities to make better decisions.

g) Citizen Participation for Hydrocarbon Activities: A process promoting the well-informed and responsible involvement of all parties interested in the negotiation or bidding and signing of Hydrocarbon Exploration and/or Exploitation Contracts and in the process of Environmental Impact Assessment of Hydrocarbon Activities, for a proper decision-making process and the conduct of hydrocarbon activities within the framework of the applicable environmental rules and policies.

Article 6.- Stages of Citizen Participation in Hydrocarbon Activities

6.1. Following are the stages to which the provisions of these Regulations apply:

a) Negotiation or bidding and signing of Hydrocarbon Exploration and/or Exploitation Contracts: In this stage, Citizen Participation is to take place before negotiations begin or before a bidding process is carried out with potential bidders and ends once the Contractor has been introduced to the population, after the Hydrocarbon Exploration and/or Exploitation Contract has been signed. All these mechanisms are implemented by PERUPETRO S.A.

b) Environmental Impact Assessment: In this stage, Citizen Participation takes place before the Environmental Assessment or Environmental Management Instrument is filed and while it is being evaluated. These processes are carried out by the Owners of the Hydrocarbon Activities, accompanied by the Competent Environmental Authority, when appropriate.

6.2. In each and every stage of the Citizen Participation process, the Competent Entities and the Owners of the Hydrocarbon Activities must promote and guarantee gender and interculturality approaches, on an arm's length basis and furthering equal opportunities between women and men, as well as the rights of indigenous or native peoples.

Article 7.- Competent Entities to carry out Citizen Participation in Hydrocarbon Activities

7.1. During the negotiation or bidding and signing of Hydrocarbon Exploration and/or Exploitation Contracts, the competent entity to carry out the Citizen Participation process is PERUPETRO S.A., in coordination with the Ministry of Energy and Mines, when appropriate.

7.2. During the Environmental Impact evaluation stage, the competent entities to carry out the Citizen Participation process are the Competent Environmental Authorities falling within the sphere of competence of the National Environmental Impact Assessment System, namely the General Directorate of Environmental Affairs in the Hydrocarbon Sector (DGAAH for its acronym in Spanish) of the Ministry of Energy and Mines, the National Environmental Certification Service for Sustainable Investment (SENACE for its acronym in Spanish), and the Regional Environmental Authority, within their respective spheres of competence.

TITLE II

CITIZEN PARTICIPATION DURING THE PROCESS OF NEGOTIATION OR BIDDING AND SIGNING OF HYDROCARBON EXPLORATION AND/OR EXPLOITATION CONTRACTS

Article 8.- Rules applicable to Citizen Participation during the process of negotiation or bidding and signing of Hydrocarbon Exploration and/or Exploitation Contracts

8.1. During the negotiation or bidding process carried out to sign Hydrocarbon Exploration and/or Exploitation Contracts, PERUPETRO S.A. follows and implements the following mandatory Citizen Participation mechanisms:

- In-Person Events; and
- Communication and information disclosure mechanisms.

8.2. Through these mechanisms, PERUPETRO S.A. discloses information and informs of project activities and the actions it is taking to negotiate or carry out a bidding process to sign a Hydrocarbon Exploration and/or Exploitation Contract and officially introduce the new Contractor to the population, once said Contract has been signed.

8.3. During this stage, the social and cultural characteristics of the population are taken into account to promote dialogue between the State, the population, and the Owners of the Hydrocarbon Activities.

8.4. When the Citizen Participation process is carried out in areas where indigenous or native populations exist, the participation of said indigenous or native populations must be guaranteed, ensuring the participation of interpreters and translators registered on the National Register of Indigenous Language Interpreters and Translators kept by the Ministry of Culture.

Article 9.- Stages of Citizen Participation in the process of negotiation or bidding and signing of Hydrocarbon Exploration and/or Exploitation Contracts

Citizen Participation in the negotiation or bidding and signing of Hydrocarbon Exploration and/or Exploitation Contracts takes place during the following stages:

- a) Before negotiations or the bidding process begins.
- b) Before submitting the draft Contract to the Ministry of Energy and Mines.
- c) Following the signing of the Contract.

Article 10.- Citizen Participation before negotiations or the bidding process begins

Before negotiations or the bidding process starts, PERUPETRO S.A. will upload the following information on its Institutional Website and will carry out In-Person Events to provide the following information:

- a) The negotiations or bidding process (processes) to be carried out.
- b) Map of the block (blocks).
- c) Interested oil company (companies).
- d) Criteria to be borne in mind to select the company (companies) and/or outcome of the oil company (companies) qualification process.
- e) General aspects of the contracting process, describing the benefits that the Hydrocarbon Activity will have for the population.
- f) General aspects of the hydrocarbon industry, indicating what are the applicable technical, environmental and social regulations.

Article 11.- Citizen Participation before the draft Contract is submitted to the Ministry of Energy and Mines

Before the draft Hydrocarbon Exploration and/or Exploitation Contract is submitted to the Ministry of Energy and Mines, PERUPETRO S.A. will upload the following information on its Institutional Website or will otherwise use other communication and information disclosure mechanisms which will make it possible to disclose the required information correctly and in due time:

- a) Name of the qualified oil company (companies).
- b) Type of contract used, if applicable.
- c) Map of the block (blocks).

Article 12.- Citizen Participation following the signing of the Contract

12.1. Following the signing of the Contract, PERUPETRO S.A. will make the necessary arrangements with the Contractor to carry out In-Person Events in order to provide the following information to the population:

- a) General information related to the Contractor.
- b) Content of the Supreme Decree authorizing the signing of the Contract.
- c) Contractor's selection and/or qualification criteria.
- d) Map of the Contract area (block).
- e) Minimum Work Program and other relevant sections of the Contract.

12.2. PERUPETRO S.A. can complement In-Person Events carried out during this stage with other Communication and Information Disclosure Mechanisms, if deemed convenient.

12.3. The Citizen Participation stage referred to in this Article will be carried out within a maximum term of sixty (60) days counted as from the signing of the Contract, for which reason In-Person Events must comply with such term.

12.4. PERUPETRO S.A. publishes Hydrocarbon Exploration and/or Exploitation Contracts on its Institutional Website after they have been signed and as long as they remain in full force and effect.

Article 13.- Participants at In-Person Events

For In-Person Events to be held before the negotiation or bidding process and after the Hydrocarbon Exploration and/or Exploitation Contracts have been signed, PERUPETRO S.A. will comply with the following invitation rules:

- a) For onshore Hydrocarbon Activities, people living or carrying out economic or social and cultural activities in districts located within the block area will be invited to participate.
- b) For offshore Hydrocarbon Activities, people living or carrying out economic or social and cultural activities in districts located along the coastal strip of land, within the maximum and minimum latitude of the UTM coordinates of the block, will be invited to participate.

Article 14.- Coordination before holding In-Person Events

14.1. Before holding an In-Person Event and in order to summon the population concerned, PERUPETRO S.A. will use as reference the official databases available to the competent authorities and will gather all relevant field information for such purposes.

14.2. PERUPETRO S.A., before holding In-Person Events, can carry out coordination meetings with local stakeholders, both public and private, in order to address the aspects required to properly program the In-Person Events to be held. These meetings are not considered Citizen Participation Mechanisms.

14.3. In-Person Events are to be held on dates other than non-working holidays and cultural events attended by the population, at times which allow the attendance of both men and women.

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Article 15.- Collaboration between public entities

Within the framework of interinstitutional collaboration, PERUPETRO S.A. can request other public entities to attend In-Person Events, and to submit any information that it may deem necessary for the relevant events to be held. Invitations must be sent out no less than seven (07) business days before the date of the meeting in order to make it easier for such entities to attend.

Moreover, PERUPETRO S.A. shall channel inquiries or claims received during any Citizen Participation stage for which it is responsible, to the competent entities bearing in mind their sphere of competence, which is made known to the population concerned and to the Ministry of Energy and Mines.

These actions are taken without prejudice to the involvement of the competent authorities as to matters dealing with their sphere of competence, since the start of Citizen Participation processes for Hydrocarbon Activities.

Article 16.- Invitation to In-Person Events

16.1. PERUPETRO S.A. will invite the parties concerned at least ten (10) business days before the date on which an In-Person Event will be held.

16.2. Invitations will be made in Spanish and/or the mother tongue or language spoken by the population. Invitations will contain at least the following information:

- a) Place, date, and starting time of the In-Person Event;
- b) Objectives of the In-Person Event.
- c) Documentation or information on the topics to be addressed at the In-Person Event.

16.3. The invitation will be published or disclosed in a media outlet consistent with the cultural reality of the target population (newspapers, radio stations, loudspeakers, posters, etc.) in order to guarantee the proper disclosure of the event. The invitation will be uploaded on the Institutional Website of PERUPETRO S.A. In addition, PERUPETRO S.A. will send Letters of Invitation to regional, provincial and local government representatives, as well as to key stakeholders previously identified.

16.4. If the invitation is made by radio, then at least it must be broadcast five (5) times a day during ten (10) consecutive calendar days. Moreover, if the invitation is published in newspapers, then it must be published during ten (10) consecutive calendar days.

16.5. The place chosen to hold the meeting must be easily accessible to the population; besides, its size, infrastructure, accessibility and safety conditions must be appropriate to safely accommodate all participants.

16.6. PERUPETRO S.A. will take the necessary measures in order for the event to be disclosed and publicized as much as possible to secure the participation of people who have limited access to information, in order to make them part of this process.

Article 17.- Holding In-Person Events

17.1. PERUPETRO S.A. will coordinate, hold, and conduct In-Person Events in adequate facilities in terms of capacity, infrastructure, and safety.

17.2. When holding In-Person Events, PERUPETRO S.A. will supply the information referred to in Articles 10 or 12 hereof, as the case may be, and will receive the people's perceptions, doubts and concerns, and provide the required information on Hydrocarbon Activities, as to matters falling within its sphere of competence. Such information must be provided in a clear and didactic manner, considering the characteristics of the population.

17.3. At the time of holding In-Person Events, the information provided at the meeting will be translated into the local tongue or language spoken by most of the population in the area where In-Person Events are carried out, if so requested by the participants, within the framework of arrangements previously made by PERUPETRO S.A.

17.4. If other public entities attend the event, then they will also participate by answering any questions that participants may have regarding the Hydrocarbon Activities, as to matters falling within their respective sphere of competence.

17.5. At the end of an In-Person Event, PERUPETRO S.A. will draw up the Minutes of the Meeting where it will describe the topics addressed at the meeting. The list of participants, including their ID data and, if applicable, their place of origin and the organization they belong to, must be attached to the Minutes of the Meeting. PERUPETRO S.A. will ask participants to sign the Minutes, if they wish to do it. This document will form part of the Report to be submitted by PERUPETRO S.A. to the competent authorities, as provided for in Article 18 hereof.

Article 18.- Citizen Participation Reports

18.1. PERUPETRO S.A., within the framework of the Citizen Participation process it is responsible for, will prepare the following documents:

a) A Report containing all the details and analysis of the Citizen Participation process carried out during the first and second stages:

- Before the negotiation or bidding process begins,
- Before the draft Hydrocarbon Exploration and Exploitation Contract is submitted to the Ministry of Energy and Mines.

b) A report containing all the details and analysis of the Citizen Participation process carried out during the third stage, that is, after the Hydrocarbon Exploration and Exploitation Contract has been signed.

18.2. The Report referred to in item a) of section 18.1 above will be submitted to the General Directorate of Hydrocarbons (DGH for its acronym in Spanish) of the Ministry of Energy and Mines as part of the dossier substantiating the draft Hydrocarbon Exploration and/or Exploitation Contract. The content of said Report will be taken into account by DGH during the approval of the Hydrocarbon Exploration and/or Exploitation Contract.

18.3. The Report referred to in item b) of section 18.1 will be submitted to SENACE (National Environmental Certification Service) and DGAAH (General Directorate of Environmental Affairs in the Hydrocarbon Sector) within a maximum term of fifteen (15) business days counted as from the end of the last In-Person Event. The content of said Report will be taken into account by the Competent Entity for the evaluation of the respective environmental impact.

18.4. In addition, the aforementioned Reports will be published by PERUPETRO S.A. on its Institutional Website and sent to the Regional and Local Authorities which participated in the In-Person Events for the latter to disclose the scope thereof to the population.

18.5. Citizen Participation Reports prepared by PERUPETRO S.A. will include the following information:

- a) A map of the block, with detailed information about the coordinates of the block area.
- b) General information about the sociocultural and economic characteristics of the population invited to attend the event, in which case the information must be broken down by sex, age, mother tongue, among other aspects.
- c) Development of In-Person Events (description of previous arrangements, the invitation, logistical means, documents proving that the event was held, etc.).
- d) Assessment of comments, opinions and suggestions received from the population.
- e) Unedited audiovisual material of the In-Person Event.

Article 19.- Contract modifications

19.1. If the Hydrocarbon Exploration and/or Exploitation Contract is modified as a result of the assignment of contract position, and said modification results in the replacement of the Operator or the Contractor with respect to one hundred percent (100%) of the participating interest held in that Contract, then PERUPETRO S.A. will hold an In-Person Event to officially present the new Operator or Contractor which holds a 100% participating interest in the Contract. In addition, it will publish the Contract modification on its Institutional Website.

19.2. If the Hydrocarbon Exploration and/or Exploitation Contract is modified and said modification results in the expansion of the Block or addition of a new area as a result of the reconfiguration of the Block, then PERUPETRO S.A. will implement the necessary Citizen Participation mechanisms, which will be specifically designed for the population located in the new area, in keeping with the provisions set forth in Articles 10 through 12 of these Regulations.

19.3. PERUPETRO S.A. will publish on its Institutional Website any other modification to Hydrocarbon Exploration and/or Exploitation Contracts approved by means of a Supreme Decree, once the corresponding Contract modification has been signed and as long as the Contract remains in effect.

Article 20.- Funding of In-Person Events

20.1. PERUPETRO S.A. will assume all expenses incurred to invite people to attend and to hold In-Person Events prior to negotiation or bidding of a new Hydrocarbon Exploration and/or Exploitation Contract.

20.2. The Contractor will be responsible for expenses incurred to invite participants to attend and to hold In-Person Events after the Hydrocarbon Exploration and/or Exploitation Contract has been signed, including those held in keeping with the provisions set forth in Article 19 hereof.

Article 21.- Rescheduling of In-Person Events

21.1. If any circumstance or event prevents or hinders the holding of an In-Person Event, PERUPETRO S.A. will reschedule the In-Person Event for it to be carried out within the

next ten (10) calendar days, and may change the place and time of the meeting, for which purpose it must send new invitations within said term.

21.2. If new circumstances or events prevent the holding of the rescheduled In-Person Event, PERUPETRO S.A. will use other Communication and Information Disclosure Mechanisms depending on the geographical area concerned and the social characteristics of the population in order to provide the relevant information to the population and receive their feedback.

TITLE III CITIZEN PARTICIPATION WITHIN THE FRAMEWORK OF THE ENVIRONMENTAL IMPACT ASSESSMENT FOR HYDROCARBON ACTIVITIES

CHAPTER I

GENERAL PROVISIONS

Article 22.- Citizen Participation within the framework of environmental impact assessments

Citizen Participation within the framework of environmental impact assessments for Hydrocarbon Activities is aimed at informing the population of, and promoting its responsible involvement with regard to, the potential environmental impacts of the Hydrocarbon Activities, including the environmental and social management measures proposed by the Owner in order to ensure environmental sustainability.

When Citizen Participation takes place in areas where indigenous or native peoples exist, the involvement of these indigenous or native peoples should be guaranteed, ensuring the participation of interpreters and translators registered on the National Register of Indigenous Language Interpreters and Translators kept by the Ministry of Culture.

Article 23.- Citizen Participation stages within the framework of environmental impact assessments

Citizen Participation for the evaluation of Environmental Assessments and Complementary Environmental Management Instruments related to Hydrocarbon Activities takes place in the following stages:

- a) Before the filing of the Environmental Assessment or Complementary Environmental Management Instrument.
- b) During the evaluation of the Environmental Assessment or Complementary Environmental Management Instrument.

Once the Environmental Assessment is approved, Citizen Participation will be governed by the provisions set forth in said assessment and in the legal rules in force, and will additionally be subject to the actions taken by the Competent Environmental Auditing Authority.

Article 24.- Citizen Participation before the filing of the Environmental Assessment

24.1. Before the filing of the Environmental Assessment or Complementary Environmental Management Instrument, the Owner of the Hydrocarbon Activity, when

appropriate, will submit the Citizen Participation Plan to the Competent Environmental Authority for it to be evaluated and approved, if applicable.

24.2. During this Stage, the Owner of the Hydrocarbon Activity will implement at least one Citizen Participation Mechanism pursuant to which it will explain the Terms of Reference along with a description of the investment project, and will introduce the Environmental Consulting Firm in charge of preparing the Environmental Assessment and, when appropriate, it will also present the research methodology to be used to collect information for the Environmental Assessment. The Competent Environmental Authority can accompany the Owner of the Hydrocarbon Activity during the implementation of the Citizen Participation Mechanisms.

Article 25.- Citizen Participation during the evaluation of the Environmental Assessment

25.1. During the evaluation of the Environmental Assessment, the Owner of the Hydrocarbon Activity will inform the population of potential environmental impacts which could be generated by the Hydrocarbon Activities and the environmental and social management measures to be taken. The Competent Environmental Authority will accompany the Owner of the Hydrocarbon Activity during the implementation of the Citizen Participation Mechanisms. Citizen Participation during this stage is to be carried out within the term available for the evaluation of Environmental Assessments.

25.2. The observations received from the population will be included by the Competent Entity in the process to evaluate the Environmental Assessment.

Article 26.- Citizen Participation in Complementary Environmental Management Instruments

The Owner of the Hydrocarbon Activity, when appropriate, will implement Citizen Participation mechanisms aimed at disclosing to the population the scope of the proposed action, such as abandonment, modification or expansion of activities, etc., including the environmental and social management measures proposed in said instruments.

Article 27.- Competent Environmental Authorities

The Competent Environmental Authorities referred to in this Title, depending on their field of competence within the framework of the Environmental Assessment, are: a) The DGAAH of the Ministry of Energy and Mines; b) the Regional Environmental Authority for Energy and Mining Matters (hereinafter the Regional Environmental Authority), according to the duties and powers transferred within the framework of the decentralization process; and c) SENACE, in keeping with the provisions set forth in its creation law, Law N° 29968, as amended.

Article 28.- Participants

Citizen Participation mechanisms implemented within the framework of an Environmental Assessment promote the participation of people basically living in the area of direct or indirect influence, as established in the Environmental Assessment, where Hydrocarbon Activities are expected to be carried out or are being carried out.

CHAPTER II

CITIZEN PARTICIPATION MECHANISMS USED IN AN ENVIRONMENTAL IMPACT ASSESSMENT

SUBCHAPTER I

GENERAL PROVISIONS

Article 29.- Citizen Participation Mechanisms used in an environmental impact assessment

29.1. Following are the Citizen Participation Mechanisms used within the framework of an environmental impact assessment:

a) Distribution of the Executive Summary of the Environmental Impact Assessment. - The Executive Summary of the Environmental Impact Assessment must be delivered, explained and made available to the population. The Competent Environmental Authority will determine the format to be used to prepare the Executive Summary and the number of copies to be distributed, depending on the social characteristics of the population.

b) Distribution of information material. - The population will receive information about the project being evaluated. This information will be provided in the form of three or two-fold brochures, posters or educational leaflets, among other disclosure materials, in order to explain to the population in a simple, clear and timely fashion the Hydrocarbon Activities to be carried out, the potential environmental impacts which could be generated, the environmental management measures to be adopted, the community relations plans to be implemented, the environmental surveillance plans to be conducted, etc. To the extent applicable, all this material must be prepared in the language spoken by the target population.

c) Suggestion box for observations, suggestions, comments and feedback. - A sealed box will be located in easily accessible places to receive observations, suggestions, comments and feedback on the Environmental Assessment and its fulfillment, as the case may be, in order for all this information to be considered by the Owner of the Hydrocarbon Activities and checked by the Competent Environmental Authority. The Competent Environmental Authority can ask the Owner to place one or more boxes, depending on the size of the project.

d) Interviews and/or focus groups. - These are qualitative methodologies used to collect information from the population, including both men and women, regarding activities, interests, perceptions and any other relevant information to guarantee an adequate social and environmental management of the Hydrocarbon Activity.

e) Facilitators team: A team of professionals specializing in social matters who will visit the area of influence in order to inform local people and gather their perceptions about the Environmental Assessment, before it is presented, during its evaluation, and after its approval.

f) Information Office: An adequate place to provide information to the population about the Environmental Assessment and its fulfillment, as the case may be, and to answer questions or queries and receive people's comments and feedback. The Information Office will also be used as a participatory space to receive and answer people's questions or queries, comments and feedback on the Environmental Assessment.

The Information Office is a permanent office. Moreover, depending on the needs of each project and the size of the area of influence, there should be itinerant offices.

The Information Office must keep one copy of the Environmental Assessment (final version, which shall incorporate all observations made by the Competent Environmental Authority), and one copy of the Executive Summary (final version), in the native language, if applicable.

g) Open House: An event will be carried out which will be a space for disclosing information and engaging in dialogue. At this event, which will be open to the general public, the Owner will explain the scope of its activity and will answer the questions made by the population. All the information will be provided as didactically as possible through videos, infographics, photographic compositions, scale models, exhibitions and other similar mechanisms which will be explained by a team specializing in the matter. In carrying out this event, the Owner will bear in mind the specific characteristics of the target population.

h) Participatory Workshop. - A meeting to be held between the Owner of the Hydrocarbon Activities and the population in order to provide information about the Hydrocarbon Activities to be carried out, their potential impacts, and the prevention, control, mitigation or other measures to be taken, as the case may be. The Competent Environmental Authority can accompany the Owner when a Participatory Workshop is carried out. Participatory Workshops are aimed at receiving people's perceptions in order to be able to improve environmental management measures, the Community Relations Plan, and other aspects to be established in the Environmental Assessments.

i) Public Hearing. - A public meeting hosted by a representative of the Competent Environmental Authority. At this meeting, the Owner of the Hydrocarbon Activities will present the Environmental Assessment and listen to the observations and suggestions of participants in order to take them into account in the evaluation of the Environmental Assessment.

j) Guided tours of the project area or facilities: They are aimed at showing to the population the characteristics of the area where the Hydrocarbon Activities will be carried out, including their potential impacts and the prevention, control, mitigation or other measures to be adopted, as appropriate.

k) Participatory Surveillance and Monitoring. - The population and their authorities, after the necessary arrangements have been made, will accompany, as observers, the Owners of the Hydrocarbon Activities when they visit the project area to take follow-up action and monitor the fulfillment of environmental regulations and commitments undertaken in the Environmental Assessment.

l) Radio announcements. - Local radio stations will broadcast information, in a didactic and sustained manner, about the scope of the project, the environmental management of impacts, and potential social management plans.

29.2. The Owners of the Hydrocarbon Activities can propose other Citizen Participation mechanisms, which should be implemented once approved by the Competent Environmental Authority, without prejudice to other mechanisms that they may consider implementing out of their own free will and within the framework of their corporate social responsibility commitments.

SUBCHAPTER II

EXECUTIVE SUMMARY

Article 30.- Executive Summary

30.1. The Executive Summary is a synthesis of the relevant aspects of the Environmental Assessment; it is drafted in Spanish and in the language or mother tongue of the population where the Hydrocarbon Activity will be carried out.

30.2. The Executive Summary includes at least the main characteristics of the area where the Hydrocarbon Activities will be implemented, potential environmental impacts and their significance, environmental management actions to be implemented, and commitments and obligations arising from the Environmental Assessment. Moreover, it includes a detailed implementation budget, execution schedule, drawings indicating location of the Hydrocarbon Activity as well as main and auxiliary components, among others.

30.3. The Executive Summary is filed together with the Environmental Assessment. No later than seven (7) business days counted as from the date when the Environmental Assessment is accepted for processing, the Competent Environmental Authority will issue a favorable opinion regarding said document. In case of observations, these will be sent by the Competent Environmental Authority to the Owner so that within a term of no more than seven (7) business days such observations may be corrected and the respective certificate of compliance will be issued.

30.4. The contents of the Executive Summary will be submitted in text form and using audiovisual means to facilitate understanding by the population.

30.5. In case of amendments to the Environmental Assessment, the Executive Summary will be reformulated to include such amendments, in accordance with the rules set forth in this Article.

Article 31.- Criteria used for preparing the Executive Summary

The Executive Summary of the Environmental Assessment filed with the Competent Environmental Authority will meet the following criteria:

a) Self-sufficient: The Executive Summary will provide a synthesis of the main aspects included in the Environmental Impact Assessment, based on the contents mentioned in the applicable Terms of Reference, thus allowing good understanding of the document without the need to review the main text.

b) Clear and simple language: The Executive Summary will be drafted using an inclusive, clear and simple language that is easily understood by the population. If technical and/or legal terms are used, these should be accompanied by clarifications or examples allowing easy understanding thereof. If so required, the document will be translated into the mother tongue or language of the population. Moreover, illustrations may be used (graphs, pictures and similar means) to facilitate good understanding and thus contribute to an effective communication with the surrounding populations.

c) Extension: The Executive Summary should be concise and only include relevant information of the project for a fast reading of the document.

Article 32.- Access to the approved Executive Summary and the Environmental Assessment

32.1. The Project Owner will submit printed and digital copies of the Environmental Assessment and the Executive Summary in a sufficient number and in the order detailed below:

a) Competent Environmental Authority: Two (2) copies in printed and digital version of the Environmental Impact Assessment and one (1) copy in printed and digital version of the Executive Summary. In case the Authority has implemented a virtual system for filing and/or evaluating Environmental Assessments, only digital versions shall be sent.

b) Provincial and District Municipality of the Project's Area of Influence: One (1) copy in printed and digital version of the Environmental Impact Assessment, and one (1) copy in printed and digital version of the Executive Summary, for each municipality.

c) Indigenous or native peoples, native communities and/or peasant communities living in the Project's Area of Direct Influence: One (1) copy in printed and digital version of the Environmental Impact Assessment, and five (5) copies in printed and digital version of the Executive Summary, for each community and/or locality belonging to an indigenous or native people.

32.2. These rules shall also apply for correcting observations and filing complementary information by the Owner.

SUBCHAPTER III

SUGGESTION BOX FOR OBSERVATIONS, SUGGESTIONS, COMMENTS AND FEEDBACK

Article 33.- Suggestion box for observations, suggestions, comments and feedback

33.1. This mechanism involves placing a sealed device on places easily accessed by the population, during preparation and/or evaluation of the Environmental Assessment, to receive the corresponding observations and suggestions. The Competent Environmental Authority may order the Project Owner to place one or more of these boxes, depending on the size of the project.

33.2. During evaluation of the Environmental Assessment or the Complementary Environmental Management Instrument and upon termination of the term agreed for using the suggestion boxes, the respective Regional Environmental Authority will proceed to remove and open the boxes. Said act is carried out in presence of a Notary Public, Justice of the Peace, or Local Authority, wherein a record will be issued listing the documents received, all of which will be part of the Environmental Assessment and forwarded to the Competent Environmental Authority. The Owner of the Hydrocarbon Activities will provide the Regional Environmental Authority with the logistical support required for fulfilling this task.

33.3. Upon approval of the Environmental Assessment or the Complementary Environmental Management Instrument, and during the project implementation stage, the contents of the suggestion box will be checked by the Owner of the Hydrocarbon Activity at the frequencies established in the Environmental Assessment or the Complementary Environmental Management Instrument, in presence of the representative of the Citizen Monitoring and Surveillance Program, or the population concerned, and will be sent to the Competent Environmental Auditing Authority within a term of no more than thirty (30) business days so that

it is aware of the information being submitted and the facts included therein that could give rise to claims, for its consideration within the framework of its sphere of competence.

33.4. The observations, suggestions, comments and feedback introduced in the suggestion box must include the identification of the individual or legal entity making the same, and its place of origin.

SUBCHAPTER IV

INFORMATION OFFICE

Article 34.- Information Office

34.1. The Information Office will be open on a fixed schedule and will be located in the area of direct influence of the Hydrocarbon Activity. The Office should be provided with a record book to include visitors' full name, date of visit, and feedback made. If possible, the visitors' signature, ID number, address, telephone or any other information allowing their localization should be included. In the case of offshore Blocks, the Information Office should be located at the closest central location along the coastal strip of land, as established in Article 13, item b) of these Regulations.

34.2. The opening hours to the general public will be set by the Competent Environmental Authority in coordination with the project Owner, depending on the size of the project and taking into account the characteristics of the population concerned.

34.3. Depending on the extension of the Project's area of influence and the needs for information of the population, the Owner of the Hydrocarbon Activity will implement Itinerant Offices in order to become more accessible to the population.

SUBCHAPTER V

PARTICIPATORY WORKSHOPS

Article 35.- Invitation to Participatory Workshops

35.1. In the event that the Competent Environmental Authority attends the Participatory Workshop together with the Owner of the Hydrocarbon Activities, the following rules shall apply to the Workshop invitation:

a) The Owner of the Hydrocarbon Activities will send a communication to the Competent Environmental Authority informing on the Participatory Workshop program and indicating the exact date, time and venue of the Workshop. The date will be selected such that it does not fall on non-working holidays and cultural events attended by the population, at times which allow the attendance of both men and women. In addition, along with said communication an authorization will be included for use of the premises where the Workshop will be carried out. Said communication will be sent within a term of no less than twenty (20) calendar days before the date of the Workshop.

b) The Competent Environmental Authority will sign the Letters of Invitation addressed to the representatives of the population, regional and local authorities, among others. Such documents will be given to the Owner of the Hydrocarbon Activities for their distribution.

35.2. If the Competent Environmental Authority does not attend the Participatory Workshop, then the Owner of the Hydrocarbon Activities will invite the stakeholders directly through Letters of Invitation.

35.3. The Letters of Invitation signed by the Competent Environmental Authority or the Owner of the Hydrocarbon Activities, as applicable, will be sent at least fifteen (15) calendar days before the date when the Participatory Workshop will be held. The Owner of the Hydrocarbon Activities will be responsible for due delivery of the Letters of Invitation.

35.4. The acknowledgements of the Letters of Invitation will be delivered to the Competent Environmental Authority at least seven (7) calendar days before the date when the Participatory Workshop will be held, otherwise the event will be cancelled.

35.5. All expenses incurred in sending the invitation and holding the Participatory Workshops will be assumed by the Project Owner.

Article 36.- Rules governing the Participatory Workshops

36.1. The Owner of the Hydrocarbon Activity in coordination with the Competent Environmental Authority will carry out the Participatory Workshop at a proper venue in terms of capacity, infrastructure and safety.

36.2. The Participatory Workshop will be carried out in Spanish and/or in the mother tongue of the local population in those cases where the use of a particular language or tongue prevails. The Project Owner must provide one or more interpreters depending on the language prevailing in the locality.

36.3. If applicable, the Participatory Workshop will be hosted by a representative of the Competent Environmental Authority. If it is not possible for a DGAAH or SENACE representative to attend, arrangements may be made with the Regional Environmental Authority for it to attend and host the Workshop.

36.4. The Owner of the Hydrocarbon Activities will ensure the safety of the Workshop participants, for which purpose it will take each and every action deemed necessary in coordination with the competent authorities. Moreover, it may prohibit the entrance of individuals hindering the opening, development or closing of the Workshop.

36.5. The Participatory Workshop will be developed using communication means as teaching aids such as videos, scale models, infographics, group dynamics, photos, and others to facilitate understanding by the participants.

36.6. Once the presentation is completed, participants will make questions and give their comments whether in writing or verbally; they will also inform the Competent Environmental Authority about any document deemed relevant with regard to the Hydrocarbon Activity to be developed.

36.7. The representative of the Competent Environmental Authority or the Owner of the Hydrocarbon Activities, as applicable, will lead the Workshop based on the statements made concerning the Hydrocarbon Activity, environmental impacts and measures intended to control the same.

36.8. Upon termination of the Workshop, the respective Minutes will be signed and the list of participants will be attached thereto. The list must include the participants' ID data, and if possible, their place of origin and organization to which they belong.

36.9. The development of the Participatory Workshop will be recorded using audio and/or video recordings, which will be kept by the Project Owner and then sent unedited to the Competent Environmental Authority, no later than seven (7) calendar days following the date when the Workshop was carried out.

Article 37.- Suspension of the Participatory Workshop

37.1. The Competent Environmental Authority or the Regional Environmental Authority in charge of hosting the Workshop, as applicable, by its own initiative or at the request of the Owner of the Hydrocarbon Activity, may suspend the Participatory Workshop on duly justified grounds, such as acts of God or force majeure events, in keeping with the following rules:

a) If the event occurs once the Participatory Workshop has started, the representative of the Competent Environmental Authority or the Regional Environmental Authority in charge of hosting the Workshop will record said event in the respective Minutes and will inform participants on the suspension of the Workshop. The new date will be established as provided in Article 35 of these Regulations.

b) If the event occurs before the Participatory Workshop has started, the Competent Environmental Authority will order the suspension and will instruct the Owner to inform the population on such decision. The Owner of the Hydrocarbon Activity will comply with the provisions set forth in Article 35 hereof so that a new date is scheduled.

37.2. If the Workshop cannot be held on the new date for duly justified reasons, then the Competent Environmental Authority shall, within a term of ten (10) business days, assess the facts and events, and will decide whether to reschedule the Participatory Workshop or implement a complementary mechanism to ensure the participation of the population.

Article 38.- Rescheduling of Participatory Workshops

38.1. The Owner of the Hydrocarbon Activity may request the Competent Environmental Authority for once only that the Participatory Workshop be rescheduled in case of unforeseen events that for reasons beyond its control do not allow it to proceed with the invitation to the Workshop or carrying out the same.

38.2. The Owner of the Hydrocarbon Activity will inform the population with due diligence and through culturally appropriate means (newspaper, radio, loudspeakers, posters, etc.) on the decision of the Competent Environmental Authority to suspend the Workshop.

38.3. The Competent Environmental Authority will reschedule the Participatory Workshop, and for such purpose the Owner of the Hydrocarbon Activities shall comply with the provisions set forth in Article 36 of these Regulations.

SUBCHAPTER VI

PUBLIC HEARING

Article 39.- Invitation to Public Hearings

39.1. Pursuant to the provisions set forth in the Citizen Participation Plan approved by the Competent Environmental Authority, once the Environmental Assessment has been presented, the Owner of the Hydrocarbon Activity will request the aforementioned entity to send the invitation to the Public Hearing, including with such request the letter of authorization for use of the premises where the Public Hearing will be held. The Competent Environmental Authority will define the dates and premises for such events, as proposed by the Owner and such that they do not fall on non-working holidays and cultural events attended by the population, at times which allow the attendance of both men and women, and keeping in mind other important aspects so as to ensure maximum participation of the population.

39.2. The Owner of the Hydrocarbon Activity in coordination with the Competent Environmental Authority will inform the population on the venue, day and time of the Public Hearing, through the communication means listed below:

a) In the Official Gazette *El Peruano* and in a newspaper of major circulation in the locality or localities included in the Project's Area of Direct Influence. A notice will be published in each of the aforementioned newspapers in the form provided by the Competent Environmental Authority, inviting the population in general to participate in the Public Hearing, within a term of no less than twenty (20) calendar days before the date scheduled for holding the same. The Owner of the Hydrocarbon Activity will make said publications in keeping with the minimum term mentioned above.

On the day following publication of the notice, the Owner will send to the Regional Environmental Authority or within distance term to the Municipal Authorities of the Project's proposed Area of Direct Influence, a copy of the page in full containing the notices published in the respective newspapers, with clear indications of the date and newspaper used. Likewise, a copy will be sent to the Competent Environmental Authority within a term of no more than seven (7) calendar days following the date when the notice was published.

b) In addition, notices on A2-size paper will be placed in the following public locations:

- Regional Government head office.
- Office of Provincial and District Municipalities located in the Project's proposed Area of Direct Influence.
- Areas with major flow of public such as hospitals, banks, churches or markets.
- Community centers.

Notices will be placed no later than on the third day following the respective publications and will remain there until the day when the Public Hearing takes place.

c) Four (4) daily announcements on a far-reaching, favorite Radio Station in the locality or localities included in the area of direct Influence of the Hydrocarbon Activity, being broadcast during five (5) calendar days following the date of publication of the notice mentioned in item b) above; and during ten (10) calendar days before the date when the Public Hearing will take place, with precise indications of the places where the Environmental Assessments will be available for review by the interested parties. Moreover, the Project Owner should provide the Competent Environmental Authority with a copy of the agreement signed with the Radio Station.

d) In those places where good broadcasting is difficult, as set forth in the foregoing paragraph, the Owner of the Hydrocarbon Activity will broadcast the Public Hearing through radio frequency, microphone and loudspeakers, megaphone, or any other means enabling a clear and timely delivery of the invitation.

e) All expenses incurred in the Public Hearing invitation and implementation shall be borne by the Project Owner.

f) The Project Owner may send letters of invitation to the hearing to public authorities and institutions related to the environmental impact assessment, enclosing therewith the notice to the hearing, within a term of no less than fifteen (15) calendar days prior to the date scheduled for the hearing.

39.3. In the event that the Competent Environmental Authority verifies a breach of any of the conditions set forth herein, the Public Hearing will be cancelled and a new invitation process should be made.

Article 40.- Installation of the General Committee

40.1. The Owner of the Hydrocarbon Activity in coordination with the Competent Environmental Authority will carry out the Public Hearing at a proper venue in terms of capacity, infrastructure and safety.

40.2. The Public Hearing will be led by a General Committee made up of one representative of the Competent Environmental Authority, who will chair the same; and one representative of the Regional Environmental Authority, acting as Secretary. If the representative of the Regional Environmental Authority is not attending the Public Hearing, it will still be carried out and the Chair may also act as Secretary or designate any other person or authority attending the same.

40.3. The Chair of the General Committee may also invite the Regional Governor, the Provincial Major and the Majors of the Districts included in the Project's Area of Direct Influence, as well as any other public authorities attending the Public Hearing, to be part of the General Committee. Notwithstanding the above, the absence of any of the aforementioned authorities will not prevent the Public Hearing from taking place.

40.4. The representatives of the Competent Environmental Authority being part of the General Committee will be designated by Director's Resolution, which will be read upon installation of the General Committee.

40.5. Upon installation of the General Committee, accreditation will be required from the representative of the Project Owner as well as the representatives of the Consulting Firm that made the Environmental Impact Assessment, who must be duly authorized and listed in the National Register of Environmental Consulting Firms kept by SENACE. Such accreditations will be presented at the start of the Public Hearing and will be read immediately thereafter.

40.6. The Owner of the Hydrocarbon Activities will ensure the safety of all the attendees, for which purpose it will take each and every action deemed necessary in coordination with the competent authorities. Moreover, it may prohibit the entrance of individuals hindering the opening, development or closing of the Public Hearing.

Article 41.- Development of the Public Hearing

41.1. The Public Hearing will be carried out in Spanish and/or in the mother tongue of the local population, and if necessary a translator or an interpreter should be present. The Owner of the Hydrocarbon Activities must provide one or more interpreters depending on the language prevailing in the locality.

41.2. The Chair of the General Committee will open the Public Hearing, and then the representatives of the Owner of the Hydrocarbon Activities and of the Environmental Consulting Firm that made the Environmental Assessment will be invited to substantiate the Assessment.

41.3. Upon conclusion of said substantiation, the Chair of the General Committee will invite the attendees to ask questions whether in writing or orally.

41.4. For oral interventions, participants must register themselves with the General Committee during the Hearing in order to set the order of such interventions.

41.5. Once the questions have been answered, there will be a second round of questions and/or final clarifications. Each question will be answered by the speakers or by the General Committee members, within their spheres of competence.

41.6. Each oral or written intervention will be addressed to the General Committee and be focused on the Project, the environmental assessment, or the hydrocarbon activity subject matter of the Hearing, and the Hearing objectives.

41.7. Those persons willing to submit documents related to the Hydrocarbon Activity may do so once the interventions are ended.

Article 42.- Conclusion of the Public Hearing

42.1. At the conclusion of the Public Hearing the respective Minutes will be read, which will include all decisions made and actions taken. Such Minutes will be signed by the General Committee members, the representative of the Owner of the Hydrocarbon Activity, and the Environmental Consulting Firm. Any observations made or other occurrence during the Public Hearing will be recorded in the Minutes.

42.2. The development of the Public Hearing will be recorded using audio and/or video recordings, which will be kept by the Project Owner and then sent unedited to the Competent Environmental Authority, no later than seven (7) calendar days following the date when the Hearing was carried out.

42.3. The Minutes, questions, documents received by the General Committee, and audio and video recordings will be enclosed together with the Environmental Assessment dossier for their pertinent evaluation.

Article 43.- Term for presenting observations and opinions

The term established for filing documents with observations and opinions related to the Environmental Assessment submitted at the Public Hearing will be fifteen (15) calendar days following the date of the Public Hearing. Such documents will be assessed by the Competent Environmental Authority and, if applicable, will be considered in the report being part of the dossier.

Article 44.- Suspension of the Public Hearing

44.1. The Competent Environmental Authority by its own initiative or at the request of the Owner of the Hydrocarbon Activity, may suspend the Public Hearing on duly justified grounds, such as acts of God or force majeure events, in keeping with the following rules:

a) If the event occurs once the Public Hearing has started, the Chair of the General Committee will record said event in the respective Minutes and will inform all the attendees on the suspension of the Hearing. In such act, the Chair may set a new date for the Hearing, subject to the prior approval of all of the General Committee members. This will be duly recorded in the Minutes and the attendees must be informed thereon. The Public Hearing will take place within the next ninety-six (96) hours, it being possible to change the venue and time of the event.

b) If the event occurs before the Public Hearing has started, the Competent Environmental Authority will order suspension thereof and will instruct the Owner to inform the population on such decision. The Competent Environmental Authority will then reschedule the Hearing, it being possible to change the venue and time of the event. The Owner of the Hydrocarbon Activity must comply with the provisions set forth in Article 41 hereof.

44.2. If the Public Hearing cannot be held on the new date for duly justified reasons, then the Competent Environmental Authority shall, within a term of ten (10) business days, assess the facts and events, and will decide whether to reschedule the Hearing or implement a complementary mechanism to ensure participation of the population.

Article 45.- Rescheduling of the Public Hearing

45.1. The Owner of the Hydrocarbon Activity may request the Competent Environmental Authority for once only that the suspended Public Hearing be rescheduled in case of unforeseen events that for reasons beyond its control do not allow it to proceed with the invitation to the Hearing or its implementation.

45.2. The Owner of the Hydrocarbon Activity will inform the population with due diligence on the decision of the Competent Environmental Authority to suspend the Public Hearing.

45.3. The Competent Environmental Authority will reschedule the Public Hearing, and for such purpose the Owner of the Hydrocarbon Activities shall comply with the provisions set forth in Article 39 of these Regulations.

CHAPTER III

CITIZEN PARTICIPATION PLAN

Article 46.- Definition of the Citizen Participation Plan

The Citizen Participation Plan is the document whereby the Owner of the Hydrocarbon Activity describes the mechanisms that will be implemented prior to the presentation of the Environmental Assessment and during evaluation thereof, aimed at involving the population so as to know their perception, exchange opinions, and analyze any observations and suggestions made, regarding the social and environmental aspects involved in the environmental impact assessment process.

Article 47.- Contents of the Citizen Participation Plan

The Citizen Participation Plan will include at least the following:

a) Project Area: Description, criteria used for definition thereof, and Map showing location of the population, Natural Protected Areas and their respective Buffer Zone, Indigenous Reserves or Territorial Reserves, if any, and preliminary area of direct and indirect influence of the Hydrocarbon Activity to be developed.

b) Identification of populations located within the project's area of direct and indirect influence.

c) Citizen Participation Mechanisms to be implemented at each stage of the environmental impact assessment process.

d) Monthly implementation schedule for the Citizen Participation Plan.

e) Logistical means to facilitate compliance with the Citizen Participation Mechanisms.

f) Proposed locations for the implementation of the Citizen Participation Mechanisms.

g) Designation of the people in charge of implementing the Citizen Participation process at its different stages, who will receive and register the opinions and observations made by the population in general.

h) Name of Consulting Firm that will make the Environmental Assessment.

i) Other information as required on a case by case basis to be determined by the Competent Environmental Authority.

Article 48.- Evaluation of the Citizen Participation Plan

48.1. Prior to making the respective Environmental Assessment, the Owner of the Hydrocarbon Activity, as applicable, will present the Citizen Participation Plan for approval by the Competent Environmental Authority and for subsequent implementation thereof. The Owner will be further authorized to include Citizen Participation mechanisms in addition to those proposed in the Citizen Participation Plan.

48.2. The Citizen Participation Plan will comply with the minimum contents established in Article 47 hereinabove, and will be assessed within a term of three (3) business days following its filing with the Competent Environmental Authority in order to accept processing of the request for approval of the Citizen Participation Plan.

48.3. The Competent Environmental Authority will consider the following criteria for evaluation of the Citizen Participation Plan:

a) Participatory mechanisms to be implemented considering their efficiency in promoting effective Citizen Participation.

b) Implementation schedule of the mechanisms provided under the Citizen Participation Plan, keeping in mind the deadlines for the invitation and reception of observations and suggestions by the population and authorities.

c) Communication means as required for proper dissemination of information on the Citizen Participation process and the Hydrocarbon Activities.

d) Locations and other relevant conditions for the implementation of the Citizen Participation process.

e) Designation of the people in charge of the process and mechanisms for answering in due time the observations or complaints made by the population.

f) Other criteria identified by the Competent Environmental Authority as required for ensuring effectiveness of the Citizen Participation process.

48.4. In the event that the Project is provided with advance classification and common terms of reference, the term for assessment and approval of the Plan shall be no later than twenty (20) business days following the date on which the Plan was accepted for due processing. Such term shall include both the filing and correction of the observations, as applicable.

48.5. If a Preliminary Environmental Assessment needs to be presented, the term for assessment and approval of the Plan shall be no later than thirty (30) business days counted as from the date on which the Plan was accepted for due processing. Such term shall include both the filing and correction of the observations, as applicable.

48.6. Under no circumstance may the Environmental Assessment be made if the Competent Environmental Authority has not approved the Citizen Participation Plan.

48.7. The Citizen Participation Plan will be updated during preparation and evaluation of the Environmental Impact Assessment.

Article 49.- Implementation of the Citizen Participation Plan

49.1. Prior to the presentation of the Environmental Assessment, the Owner of the Hydrocarbon Activity will file with the Competent Environmental Authority documents proving the implementation of Citizen Participation mechanisms during preparation of the Environmental Assessment for approval thereof.

49.2. During evaluation of the Environmental Assessment, the Project Owner will inform the Competent Environmental Authority on the Citizen Participation mechanisms being implemented in said stage, which will be taken into account for approval of the respective Assessment.

49.3. Upon approval of the Environmental Assessment, the Competent Environmental Auditing Authority will verify compliance with the social and environmental commitments provided under the Citizen Participation Plan of the aforementioned Environmental Assessment for said stage.

Article 50.- Amendment and updating of the Citizen Participation Plan

50.1. Upon approval of the Citizen Participation Plan, and at any time thereafter, the Owner of the Hydrocarbon Activity may request approval from the Competent Environmental Authority for any amendment to the Plan, on duly justified grounds. Such amendment may be justified in case of changes in the circumstances, area of influence, social context, project stage, among others, and should not distort the objectives of the original Citizen Participation Plan.

The Competent Environmental Authority will approve such amendment to the Citizen Participation Plan within a term of no more than ten (10) business days.

50.2. In the event that the Environmental Impact Assessment has to be updated as set forth in Article 30 of the Regulations under Law N° 27446, Law on the National Environmental Impact Assessment System, approved by Supreme Decree N° 019-2009-MINAM, the Owner of the Hydrocarbon Activity may also include an updated Citizen Participation Plan, as applicable.

CHAPTER IV

RULES GOVERNING CITIZEN PARTICIPATION IN ENVIRONMENTAL ASSESSMENTS

Article 51.- Citizen Participation Mechanisms in Environmental Impact Statements

51.1. For the Environmental Impact Statement corresponding to Hydrocarbon Commercialization Activities, Citizen Participation will be carried out during the evaluation of the Environmental Assessment.

51.2. For all other Hydrocarbon Activities, Citizen Participation will be implemented prior to the presentation of the Environmental Assessment and during evaluation thereof.

51.3. Citizen Participation Mechanisms applicable to Environmental Impact Statements are those mechanisms mentioned in Article 29 of these Regulations, except for the Public Hearing and the Participatory Workshop.

Article 52.- Citizen Participation Mechanisms in Semi-detailed Environmental Impact Assessments

52.1. For the Semi-detailed Environmental Impact Assessment (EIA-sd), Citizen Participation mechanisms will be implemented prior to filing thereof and during evaluation thereof.

52.2. Prior to the filing of the EIA-sd, the Owner of the Hydrocarbon Activity will submit to the Competent Environmental Authority its Citizen Participation Plan for approval. Once approved, the Owner will be ready to implement the Citizen Participation Mechanisms indicated therein.

52.3. Prior to the filing of the EIA-sd, the Owner of the Hydrocarbon Activities will conduct the Participatory Workshops included in its Citizen Participation Plan, hosted by the Competent Environmental Authority. If it is not possible for a DGAH or SENACE representative to attend, arrangements may be made with the Regional Environmental Authority for it to attend. The purpose of these Participatory Workshops is to introduce the Consulting Firm that will prepare said assessment and gather the observations and opinions of the population in order to take them into account in making the EIA-sd. Moreover, other Citizen Participation Mechanisms mentioned in Article 29 hereof may be implemented, except for the Public Hearing

52.4. During the evaluation of the EIA-sd, subject to prior Favorable Opinion of the Executive Summary of the EIA-sd, the Owner of the Hydrocarbon Activities together with the Competent Environmental Authority will conduct a Public Hearing with the purpose of informing on the Environmental Baseline, including information on relevant aspects related to the collective rights of the indigenous or native peoples, in accordance with the provisions set forth

in Article 21 of the Environmental Protection Regulations for Hydrocarbon Activities, approved by Supreme Decree N° 039-2014-EM; the Analysis and Identification of Impacts, the Environmental Management Plan, and the Abandonment Plan.

Article 53.- Citizen Participation Mechanisms in Detailed Environmental Impact Assessments

53.1. For the Detailed Environmental Impact Assessment (EIA-d), Citizen Participation mechanisms will be implemented prior to filing thereof and during evaluation thereof the Citizen Participation mechanisms will apply prior to its presentation and during its evaluation.

53.2. Prior to the filing of the EIA-d, the Owner of the Hydrocarbon Activity will submit to the Competent Environmental Authority its Citizen Participation Plan for approval. Once approved, the Owner will be ready to implement the Citizen Participation Mechanisms indicated therein.

53.3. Prior to the filing of the EIA-d, the Owner will conduct the Participatory Workshops according to the following details:

a) The first Participatory Workshop will be conducted with the attendance of the Owner of the Hydrocarbon Activities and will be hosted by the Competent Environmental Authority, and where applicable, by the Regional Environmental Authority. The Competent Environmental Authority will inform the population about the purpose of the event, and the Regional Environmental Authority will speak about its rights and duties, the environmental regulations and the Citizen Participation process. The Owner will explain to the authorities and the general public about the components of the Hydrocarbon Activities. Likewise, the Owner will introduce the Consulting Firm in charge of preparing such assessment. The Consulting Firm will designate its work team members and will inform on its activity schedule to prepare the assessment, as well as the Terms of Reference of the EIA-d. Such Environmental Consulting Firm must be listed in the National Register of Environmental Consulting Firms kept by SENACE.

b) The second Participatory Workshop will be conducted by the Owner of the Hydrocarbon Activities and will be hosted by the Competent Environmental Authority. In such Workshop, the Owner will report on the Environmental Baseline and the scope of the activities proposed, so as to gather comments and opinions of the population for them to be considered in preparing the EIA-d.

c) The Owner of the Hydrocarbon Activities will be entitled to conduct by its own initiative additional Participatory Workshops intended to gather comments and opinions of the population to optimize the preparation of the EIA-d.

In addition, the Owner may implement other Citizen Participation Mechanisms indicated in Article 29 hereof, except for the Public Hearing.

53.4. During the evaluation of the EIA-d, subject to prior Favorable Opinion of the Executive Summary of the EIA-d by the Competent Environmental Authority, the Owner of the Hydrocarbon Activities together with the Environmental Consulting Firm and with the attendance of the Competent Environmental Authority and, where appropriate, the Regional Environmental Authority, will conduct the Participatory Workshop with the purpose of informing on the Environmental Baseline, including information on relevant aspects related to the collective rights of the indigenous or native peoples, in accordance with the provisions set forth in Article 21 of the Environmental Protection Regulations for Hydrocarbon Activities, approved by Supreme

Decree N° 039-2014-EM; the Analysis and Identification of Impacts, the Environmental Management Plan, and the Abandonment Plan, so as to gather the comments and opinions of the population. After the Participatory Workshop, the Owner of the Hydrocarbon Activities will conduct a Public Hearing.

Article 54.- Publication of the Resolution approving the Environmental Assessment

54.1. The Competent Environmental Authority will forward a copy of the Director's Resolution approving the Environmental Assessment and the Report supporting the same to each of the instances involved in the Citizen Participation process, as approved in the corresponding Citizen Participation Plan, for them to be informed on the valuation given to their contributions.

54.2. In addition, such documents will be posted in the Institutional Website of the Competent Environmental Authority to make them available to the general public.

CHAPTER V

RULES GOVERNING CITIZEN PARTICIPATION IN THE PROCESS OF AMENDMENTS TO ENVIRONMENTAL IMPACT ASSESSMENTS AND COMPLEMENTARY ENVIRONMENTAL MANAGEMENT INSTRUMENTS

Article 55.- Citizen Participation Mechanisms in the process of Amendments to Environmental Assessments

55.1. For approval of Amendments to Environmental Impact Assessments, the Owner will be required to present the Citizen Participation Plan when the project modification involves new populations within the project's area of influence.

55.2. If the Amendments to Environmental Impact Assessments do not imply the assumption mentioned in 55.1 above, such amendments will be made available to the population prior to filing the same, through the Distribution of information materials or through a Participatory Workshop or using the Suggestion Box to collect observations, suggestions, comments and feedback. At this stage, the Owner of the Hydrocarbon Activities will report on the amendments to be made. In addition, the comments and opinions of the population will be received so that they are taken into account while preparing such instrument.

55.3. During the evaluation, the Owner of the Hydrocarbon Activities will conduct a Participatory Workshop to report on the identification of impacts that may arise, as well as the environmental management measures proposed.

Article 56.- Citizen Participation Mechanisms for Supporting Technical Reports

56.1. The presentation of the Citizen Participation Plan will not be required for approval of the Supporting Technical Reports.

56.2. Prior to the presentation of the Supporting Technical Reports, the Owner(s) of the Hydrocarbon Activities will inform the population about the amendments to be made through the Distribution of information materials or through a Participatory Workshop or using the Suggestion Box to collect observations, suggestions, comments and feedback. This rule will not apply to hydrocarbon commercialization activities.

Article 57.- Citizen Participation Mechanisms in other Complementary Environmental Management Instruments

57.1. The presentation of the Citizen Participation Plan will not be required for approval of Complementary Environmental Management Instruments (IGAC for its acronym in Spanish) other than the Supporting Technical Report. However, the content of such instruments will be available to the population at different locations and/or at the Institutional Website of the Competent Environmental Authority, so that the public may give their feedback.

57.2. The Owner of the Hydrocarbon Activities will request from the Competent Environmental Authority the publication notice format to be used to inform the population about the availability of the IGAC under evaluation, so that the stakeholders will know and give their feedback. For obtaining such format, the Owner must prove that it has actually delivered a copy of such instrument at the places located within the Area of Influence of the Hydrocarbon Activities.

57.3. The notice mentioned in 57.2 above will include the following information:

- a) Name of Project and Project Owner.
- b) District where the Hydrocarbon Activities will be performed.
- c) Places where the population concerned may have access to the Environmental Management Instrument and/or the Institutional Website to access the digital version of the Environmental Management Instrument.
- d) Deadlines to submit suggestions, comments or observations, as well as places where such suggestions, comments or observations will be sent.

57.4. Said notice will be published in the Official Gazette *El Peruano* and in a newspaper of major circulation in the locality or localities included in the Area of Influence of the Hydrocarbon Activities, within seven (7) calendar days following the date of delivery of the publication format.

57.5. Within ten (10) calendar days following the date of the publications, the public concerned may give their observations, proposals and suggestions to the Competent Environmental Authority. These documents will be reviewed and, if applicable, they will be considered in the corresponding Report included as part of the dossier, which will be published in the Institutional Website of the Competent Environmental Authority.

57.6. In addition, before and during the evaluation of said instrument, and following approval thereof, the Owner may implement any of the Citizen Participation mechanisms mentioned in Article 29 hereof, except for the Public Hearing and the Participatory Workshop.

Article 58.- Publication of the Resolution approving the Complementary Environmental Management Instruments

The Director's Resolution approving the Complementary Environmental Management Instrument and the Report supporting it will be published in the Institutional Website of the Competent Environmental Authority in order to make it known to the general public.

Rosario Mulanovich Barreda
CTP N° 0469

FINAL COMPLEMENTARY PROVISIONS

One.- Access to Citizen Participation related information

Any person may have access to a copy of the documents whereby the Citizen Participation mechanisms for Environmental Assessments and Complementary Environmental Management Instruments are approved and implemented, including minutes, audio or video recordings, reports and other documents, through the Access to Public Information procedure provided in the Single Revised Text of the Law on Transparency and Access to Public Information, approved by Supreme Decree N° 043-2003-PCM.

Two.- Updating of Environmental Management Instruments

The Owners of the Hydrocarbon Activities that as of the date of entry into force of these Regulations have already approved Citizen Participation Plans, Environmental Assessments or Complementary Environmental Management Instruments must adjust to the provisions set forth herein for the corresponding updating process.

Three.- Recognition of Human Rights defenders

The State will take the necessary measures to guarantee the rights of human rights defenders in environmental matters within the framework of the provisions set forth in the National Plan on Human Rights 2018-2021, approved by Supreme Decree N° 002-2018-JUS.

Four.- Guidelines for implementation of Citizen Participation mechanisms for vulnerable populations, women and indigenous or native peoples

The Ministry of Energy and Mines will draw up Guidelines for the implementation of Citizen Participation Mechanisms in Hydrocarbon Activities for vulnerable populations, women and indigenous or native peoples. These Guidelines will be coordinated with the Ministry of Culture and the Ministry of Women and Vulnerable Populations, in their capacities as governing bodies, in keeping with the provisions set forth in the relevant legislation in force.

TRANSITORY COMPLEMENTARY PROVISION

Single.- Pending procedures

As from the effective date of these regulations, all the provisions contained herein will apply immediately to the Citizen Participation activities carried out within the spheres of competence of PERUPETRO with respect to pending contracting procedures.

The administrative procedures for evaluation of Citizen Participation Plans, Environmental Assessments and Complementary Environmental Management Instruments that started prior to the effective date of these Regulations will continue to be processed in accordance with the rules established by Supreme Decree N° 012-2008-EM, and the Citizen Participation Guidelines for Hydrocarbon Activities, approved by Ministerial Resolution N° 571-2008-MEM-DM.



I, the undersigned Certified Translator, Member of the Peruvian Association of Professional Licensed Translators (CTP), do hereby certify that this Certified Translation, consisting of 32 pages, is a true and correct translation into English of the original document in Spanish enclosed herewith, which has been produced before me.

This certification shall be considered an acknowledgment of the accuracy of the translation but not of the authenticity or contents of the document in source language attached hereto.

Signed in Lima, this 25th day of April, 2019.


Rosario Mulanovich Barreda
CTP N° 0469

