Guidelines for Comprehensive Management of Waste Requiring Special Management in the Hydrocarbons Sector

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The *ADMINISTRATIVE PROVISIONS THAT SET FORTH THE GUIDELINES FOR COMPREHENSIVE MANAGEMENT OF WASTE REQUIRING SPECIAL MANAGEMENT IN THE HYDROCARBONS SECTOR* (the “Guidelines”) were published in Mexico’s Federal Official Gazette on May 2, 2018 and became effective the following day. The purpose of these provisions is to establish the guidelines that Regulated Entities[1] and Service Providers must comply with in the comprehensive management of *Waste Requiring Special Management in the Hydrocarbons Sector*.[2]

The Guidelines apply to: (i) the Regulated Entities that perform Hydrocarbon Sector activities in accordance with Article 3, paragraph XI of the Law of the National Agency for Industrial Safety and Environmental Protection of the Hydrocarbons Sector (“ASEA”)[3]; and (ii) Service Providers that directly engage in its comprehensive management.

Regulated Entities that intend to develop a project in the Hydrocarbons Sector that generate Waste Requiring Special Management must be recorded as generator of that kind of waste by ASEA 45 working days prior the development of the activities.

Regulated Entities that generate 10 tons or more of Waste Requiring Special Management must record a Management Plan before ASEA.

Generators that intend to carry out recycling or treatment activities with respect to Waste Requiring Special Management that they generate do not require authorization from ASEA unless those activities release pollutants in the environment, creating a health risk.

Regulated Entities that intend to manage Waste Requiring Special Management not generated within their facilities, as well as individuals or legal entities that intend to be Service Providers of the Hydrocarbons Sector for the comprehensive management of that waste, having a contractual relationship with the Regulated Entity, require prior authorization from ASEA.

Areas for the storage of Waste Requiring Special Management must comply with the conditions indicated in the Guidelines.

Regulated Entities and Service Providers must submit before ASEA an annual report in April or May on generation, management and transportation of Waste Requiring Special Management carried out in the previous year.

[1] The Nation must perform exploration and production of hydrocarbons in accordance with the Hydrocarbons Law (Article 3 of the Hydrocarbons Law), that is, only through Assignees and Contractors, in addition to the corresponding authorizations or permits. In accordance with that law, the activities that regulate exploration and production of hydrocarbons, among others, can only be performed by Assignees or Contractors (as defined in the Hydrocarbons Law), which are the only "Regulated Entities" provided in the Hydrocarbons Law.

[2] Waste Requiring Special Management in the Hydrocarbons Sector are: *Waste generated in processing, facilities and services deriving from the performance of activities in the Hydrocarbons Sector, which do not have characteristics to be considered as hazardous in accordance with the applicable law* (General Law for the Prevention and Comprehensive Management of Waste); *as well as urban solid waste generated by activities in the Hydrocarbons Sector equal to or greater than 10 tons per year*. Article three, paragraph seven of the Administrative Provisions set forth the Guidelines for Comprehensive Management of Waste Requiring Special Management in the Hydrocarbons Sector.

[3] The Hydrocarbons Sector includes the following activities: *Seismic exploration, and exploration and extraction of hydrocarbons; treatment of oil, refining, sale, transport and storage; processing of oil, compression, liquefaction, decompression, and regasification, as well as transport, storage and distribution; transport and storage of liquefied petroleum gas; oil transport and storage; and, pipe transport and storage related to petrochemicals pipes, as a result of natural gas processing and oil refining*. Article three, paragraph six of the Law of the National Agency for Industrial Safety and Environmental Protection of the Hydrocarbons Sector.