

Guidelines for Comprehensive Management of Special Management Wastes of the Hydrocarbons Sector

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The *ADMINISTRATIVE PROVISIONS THAT SET FORTH THE GUIDELINES FOR COMPREHENSIVE MANAGEMENT OF SPECIAL MANAGEMENT WASTES OF THE HYDROCARBONS SECTOR* (the “Guidelines”) were published in the Federal Official Gazette on May 2, 2018 and became effective on the next day of that publication. The purpose of these provisions is to establish the guidelines that Regulated Entities¹ and Service Providers must comply with in the comprehensive management of *Special Management Wastes of the Hydrocarbons Sector*.²

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

Regulated Entities that intend to develop a project in the Hydrocarbons Sector which generates Special Management Wastes must be recorded as generator of that kind of wastes, before the National Agency Industrial Safety and Environmental Protection of the Hydrocarbons Sector (“ASEA”) 45 working days prior the development of the activities.

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

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

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

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

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

¹ The Nation must perform the 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 Special Management Wastes of the Hydrocarbons Sector are: *Wastes generated on the processing, facilities and services deriving from the performance of activities of the Hydrocarbons Sector, that does not have characteristics to be considered as hazardous in accordance with the applicable law* [General Law for the Prevention and Comprehensive Management of Wastes]; as well as *urban solid wastes generated in the activities of the Hydrocarbons Sector when its generation is equal or more than 10 tons per year*. Article 3°, paragraph XII of the Administrative Provisions that set forth the Guidelines for Comprehensive Management of Special Management Wastes of the Hydrocarbons Sector.

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