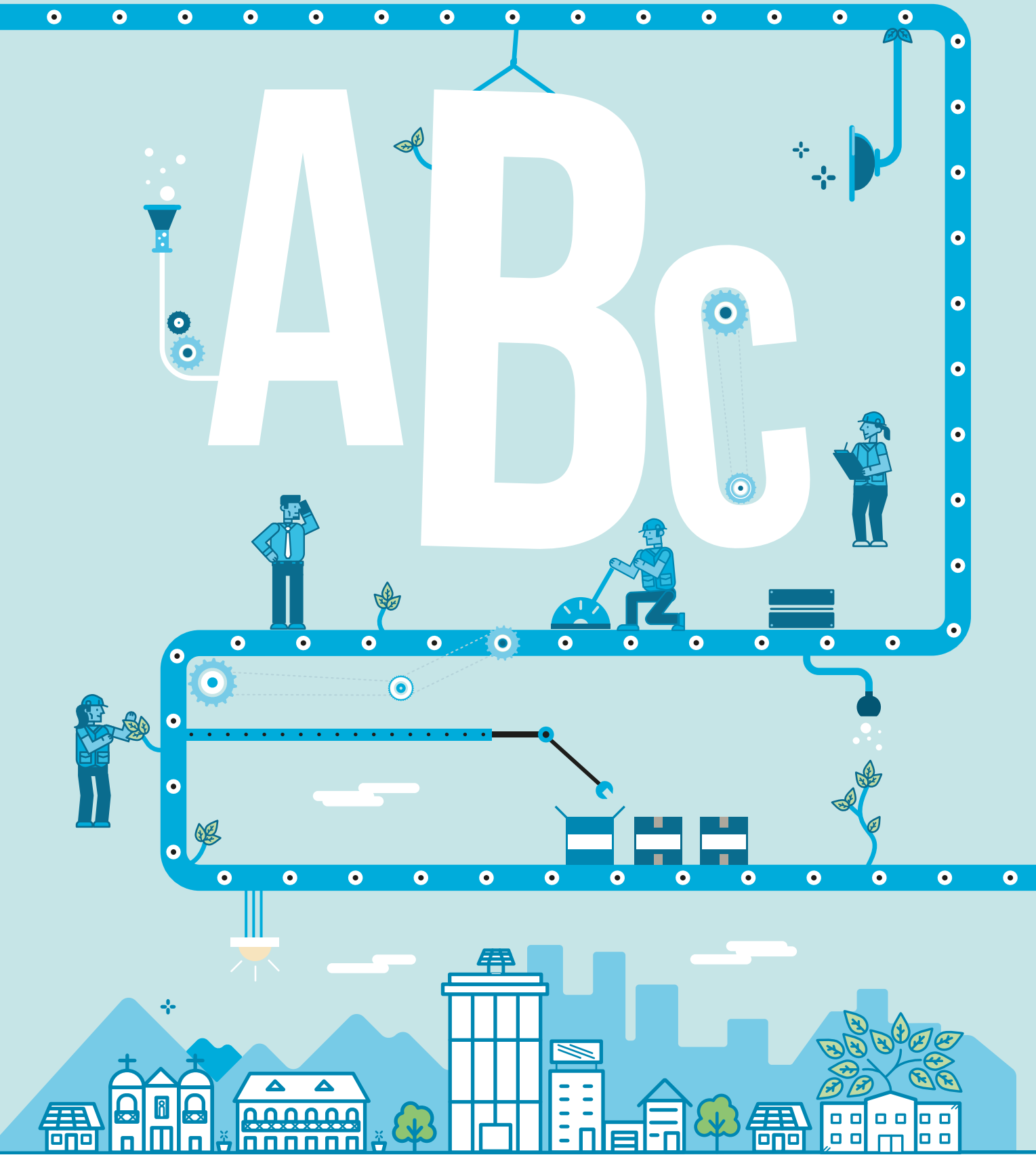


# ABC

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## SENACE: BUILDING TRUST FOR SUSTAINABLE DEVELOPMENT

Environmental Impact Assessments (EISs) have more than 20 years of history in Peru, having evolved from an environmental governance model distributed into various sectorial authorities, to a concentrated and specialized model led by the Peru's Environmental Licensing Agency (Senace, for its abbreviation in Spanish).

Two of the main issues faced by an EIS in Peru are: 1) the lack of trust from citizens in the assessment process, and 2) the tedious and bureaucratic nature of the procedure. Senace arises from the need to find solutions to both challenges.

First, the problem of citizens' lack of trust in an EIS is largely due to the environmental governance system followed in Peru until the end of 2015, in which each ministry had the authority to assess the EISs of the projects within its own sector. This raised a dilemma because each ministry had, as many perceived it, two apparently conflicting tasks: on the one hand, promoting an industrial or economic activity and, on the other hand, making a decision on the environmental feasibility of such activity or project.

The second issue is the need to streamline the environmental assessment procedure and bring it closer to the citizens. The challenge involves a transition from an "encyclopedic" document (thousands of pages of information that is sometimes of little relevance) to a useful and efficient environmental management instrument focused on the relevant issues and with an approach that strengthens citizen participation and generates transparency.

After some significant social conflicts during the 2011-2012 period, it became clear that the institutional and legal framework of EIS needed to be modernized to address these challenges and thus become a scientifically appropriate instrument that is both inclusive and robust.

This is the context in which the foundations to create Senace in December 2012 were laid. Currently, since the creation of the Ministry of the Environment in 2008, Peru is

asserting the transition from a "sector-oriented" environmental management model to a comprehensive and focused model where an independent and technical environmental agency oversees the assessment of the main investment projects in the country.

Senace, an institution attached to the Ministry of the Environment, is established as the cornerstone of the National Environmental Impact Assessment System (SEIA) in charge of the assessment and approval of the detailed Environmental Impact Assessments of the main investment projects of the country.

Senace also has as a main task to keep a registry of the environmental consulting firms in charge of preparing the EIS to make sure that such task is in the hands of specialized professionals, with the experience and probity that guarantee clear, consistent and independent documents.

In December 2015, after the implementation period, the authority to assess the main EIS of the Energy and Mines sector (mining, oil and gas, and electricity) was transferred to Senace. This was the first sector to transfer its duties to Senace; followed by Transportation in July 2016, Agriculture in August 2017 and Solid Waste (Health) in December 2017. Thus, the tasks of assessing the EIS of all sectors will be gradually transferred to the institution until 2021, consolidating the new environmental management model.

During the last years, Senace has gradually built its institutional structure, strengthened the skills of its personnel, coordinated efforts with the ministries and other environmental authorities from different government levels, and developed technical guidelines to address the enormous challenges that it faces. These initiatives are aimed at guaranteeing an efficient, rigorous and transparent assessment process.

This publication explores the grounds behind the creation of Senace, the main accomplishments up to date, the challenges found during the first 24 months of operation and those which still lie ahead in order to make sure that the EIS better contribute to the sustainable development of the country.

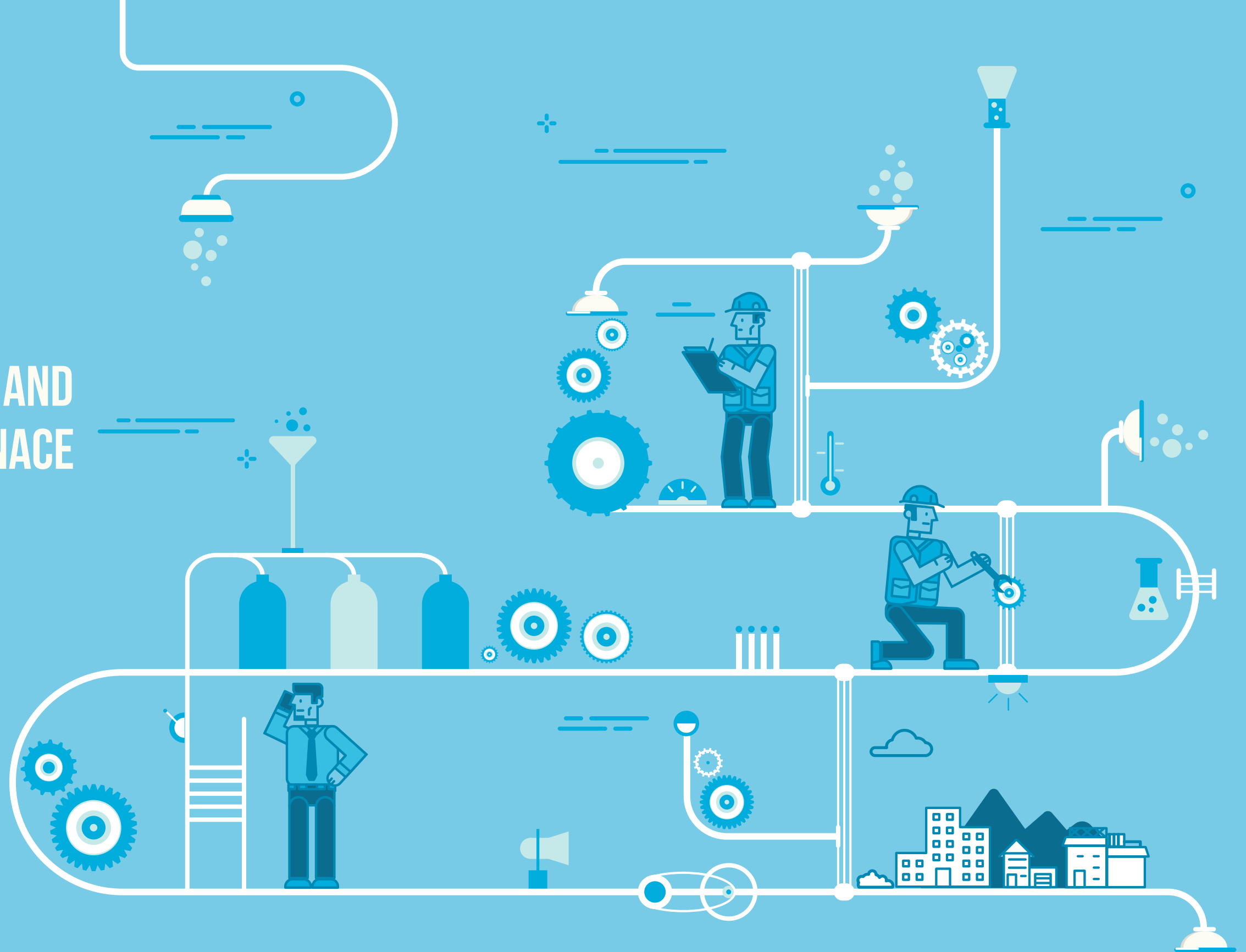
Patrick Wieland  
Executive Director

# 01

## THE ENVIRONMENTAL IMPACT ASSESSMENT AND THE CREATION OF SENACE

An environmental impact assessment is a complex technical process. Environmental Impact Statements (EIS) are documents prepared by environmental consulting firms hired by the project proponents and are assessed by the State. EIS are intended to identify the positive and negative impacts expected from the implementation of an investment project, and to put in place measures required to manage and mitigate them, whilst involving citizens in an effective manner.

The creation of Senace sets the most recent milestone on the journey to achieve EIS that are closer to this objective by promoting more participatory and efficient processes, as well as more rigorous and complete instruments. To understand how we reached this point, it is useful to review the origins of environmental impact assessment and its consolidation in Peru.





## THE ORIGINS OF ENVIRONMENTAL IMPACT ASSESSMENT

The environmental impact assessment has its origins in the concern about **mitigating the adverse environmental and social effects of economic activities.**

**A**s from the mid-twentieth century, citizens, companies and governments started designing projects based on systematic management models that help to prevent environmental damage. In the 1960s, in Europe and in the United States, warnings about the effects of human activities on the environment encouraged the interest in studying environmental impacts and finding ways to prevent them.

The environmental impact assessment was created because of this interest in mitigating the adverse environmental effects of economic activities. The EIS was formalized for the first time in the United States, in the National Environmental Policy Act (NEPA) enacted in 1970.

With that milestone, the national legislation of many countries, as well as international environmental law, adopted the environmental impact assessment as the main management instrument to prevent and manage the adverse environmental impacts of investment projects<sup>1</sup>.

New Zealand, Australia and Canada continued to align with this vision. In the 1980s, the European Community approved the Directive 85/337/CEE (amended by Directive 97/11CE) in which the various legislations on EIS of the member countries were consolidated, whilst at the same time, it required those countries that did not have regulations to adopt this instrument.

From a regional perspective, the institutionalization process of the environmental impact assessment in Latin America was originally aimed at meeting the requirements for the credit granting by international financial institutions such as the Inter-American Development Bank (IDB) or the World Bank. The first country to incorporate it in its Code of Natural Resources was Colombia (1973), followed by Mexico (1978), Brazil (1988), Peru (1990), Venezuela (1992), Bolivia (1992), Paraguay (1993), Chile (1993), Honduras (1993) and Uruguay (1994).



SHUTTERSTOCK



SHUTTERSTOCK

## THE CREATION OF SENACE: FROM A SECTOR-ORIENTED TO **A SPECIALIZED ASSESSMENT**

The key aspect in this process towards a specialized assessment model **has been the planning and preparation work put in place.**

**A**n environmental impact assessment requires three main stakeholders: the project proponent, the citizens who participate, and the State that verifies its environmental and social suitability. The State plays a key role in the environmental governance model adopted by Peru for the environmental impact assessment processes, because it grants the environmental certification of an investment project, so that it meets the high technical standards of impact mitigation, and protection of citizens' rights to health and a healthy environment.

The Code of the Environment and Natural Resources of 1990 formalized this role, and it set forth that any work or project activity, whether public or private, which may cause unacceptable environmental damage, requires an EIS subject to the State approval.

At the beginning, the model adopted to institutionalize the central role of the State in the

environmental impact assessment was the so-called "sector-oriented model". In 1991, the Article 51 of Legislative Decree "Framework for the Growth of Private Investment" established that the competent sector authority was responsible for the environmental certification; this model continued in Peru until the end of 2015. Thus, the various ministries approved their own sector-oriented environmental regulations and norms<sup>2</sup> that controlled, among others, the technical procedures and criteria of the environmental impact assessment for the projects under their scope. One consequence was that the environmental regulation was energized, but often at the cost of disjointed and inconsistent criteria and rules.

In 2001, the SEIA was created to articulate the procedures and treat environmental impact assessments homogeneously<sup>3</sup>. This rule set out a consistent procedure that comprises the requirements, stages and scope of the environmental impact assessment of investment projects, and which, in turn, has mechanisms that ensure

citizen participation. In 2009, this entire process—from a sector-oriented approach to a more consistent and participatory "cross-sectorial" management—moved forward more strongly with the regulations of the SEIA Act<sup>4</sup> which requires a progressive adaptation of all sectors.

Senace was created three years later, in 2012<sup>5</sup>, and it represents a major step in the path towards ensuring EISs with increasingly sound technical criteria and assessed rigorously, independently and in the most participatory manner, within the framework of a continuous improvement process of the SEIA. Thus, the creation of Senace implies closing the "sector-oriented" approach of the environmental impact assessment progressively and moving towards a model in which a single specialized and independent agency is in charge. In addition, this follows the regional trend to have agencies that are independent or attached to environmental ministries that play this role, such as the Brazilian Institute of the Environment (IBAMA for its abbreviation in Portuguese), Chile's Environmental Assessment Service (SEA for its abbreviation in Spanish), and Colombia's National Authority of Environmental Licenses (ANLA for its abbreviation in Spanish).

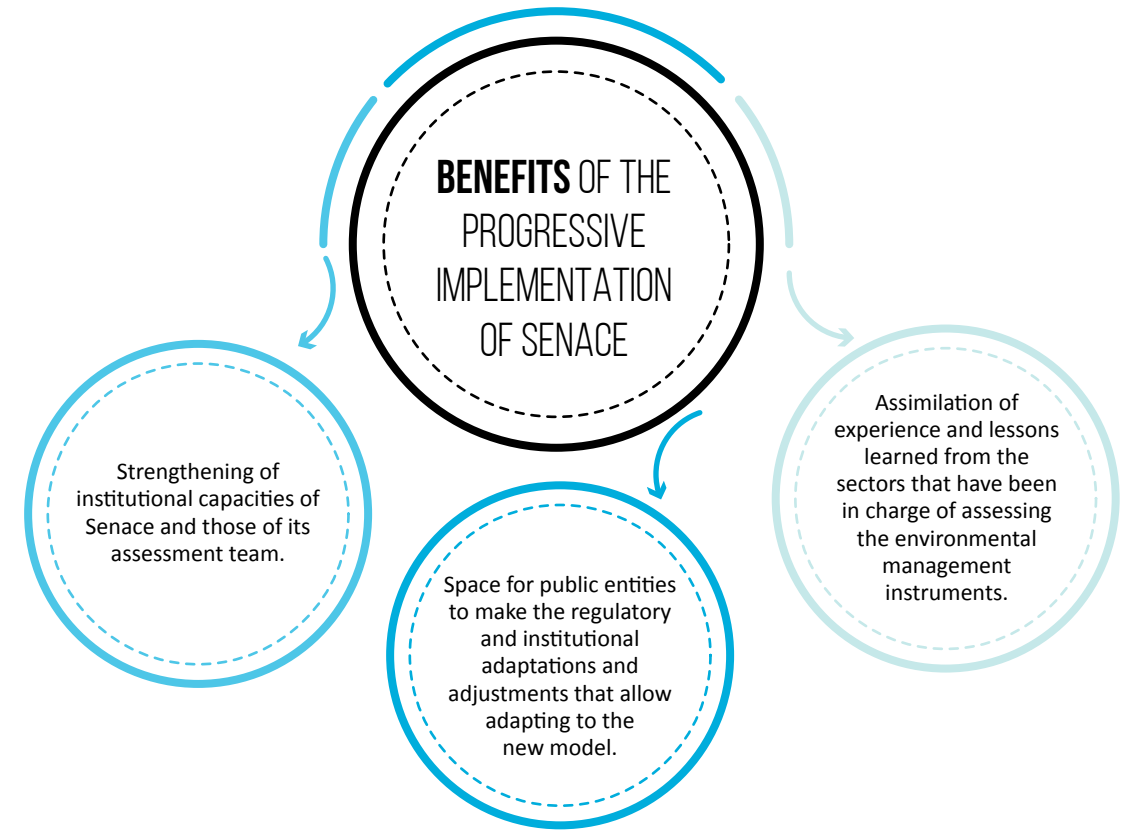
**THE CREATION OF SENACE PROMOTES THAT A SINGLE SPECIALIZED AND INDEPENDENT AGENCY OVERSEES THE ENVIRONMENTAL IMPACT ASSESSMENT OF THE MOST IMPORTANT INVESTMENT PROJECTS IN PERU.**

A key issue in this transition process is the decision to move forward in a progressive and planned manner. Senace was created in December 2012 but it started operating towards the end of 2015, within the framework of a transfer schedule<sup>6</sup> that allows the progressive strengthening of the environmental impact assessment of investment projects of each sector in an orderly fashion. Furthermore, Senace was created with the initial objective of focusing on the national or multi-regional investment projects with the largest impacts, assessing detailed EIS and their amendments. Thereafter, it was established that Senace would also assess the semi-detailed EIS (EIS-sd) in the future.

In 2015, in order to strengthen this new institutional scheme, the Peruvian Congress approved the Act on Investment Promotion for Economic Growth and Sustainable Development<sup>7</sup>, which creates the Global Environmental Certification –also called "IntegrAmbiente"– to be implemented by Senace.

This tool integrates and streamlines a set of environmental permits during the EIS assessment procedure, so that they can be issued and





evaluated simultaneously, thus reducing the total start-up times of investments, optimizing the efforts of project holders and the State, and ensuring the standardization of criteria and rigorosity.

The Global Environmental Certification, winner of the 2017 Award for Good Public Management Practices<sup>8</sup>, complements the process towards a more specialized and legitimate environmental

impact assessment, but it also raises important challenges towards the future to ensure that all the public institutions involved in the environmental impact assessment articulate efficiently.



## THE SOCIOPOLITICAL CONTEXT LEADING TO THE CREATION OF SENACE

The challenges of optimizing the environmental assessment process and **regaining the citizens' trust in the environmental management instruments required considering a specialized entity such as Senace.**

In the years before the creation of Senace, the institutional structure and legal framework for environmental and natural resources management in Peru had made significant progress; however, there were still outstanding challenges. According to the World Bank "the environmental sector-oriented management had been developed unequally between sectors"<sup>9</sup>. In general, each sector had established its own criteria, which had been harmonized in a progressive but incomplete and dissimilar manner.

During that period, a major challenge was to ensure compliance with legal time limits in environmental impact assessment. This deficiency originated for different reasons, such as issues related to budget and interinstitutional coordination, but also due to studies submitted with deficiencies subject to many objections. A study estimated that, on average, the assessment of an EIS, on top of the time to obtain additional permits, may take up to 900 days<sup>10 11</sup>.

In addition to the challenge of ensuring appropriate assessment times, the context of social conflict was also a catalyst to think of a specialized entity that may legitimate EIS. According to the Monthly Report on Social Conflicts prepared by the Ombudsman's Office, as of June 2012 there were 247 social conflicts in total throughout the country, and 60% of the recorded total was referred to social and environmental issues<sup>12</sup>.

In many of these cases, the legitimacy of the EIS was questioned. According to Valdéz Muñoz, a sector is perceived as "judge and jury in its environmental management"<sup>13</sup>, in reference to the assessment of these instruments by the ministries which are also in charge of promoting investments. The lack of trust in the instrument caused a knock-on effect for which some groups of citizens could call into question the application and enforceability levels of the instrument.<sup>14</sup>



In that context, the Executive Branch created a Multi-sector Commission<sup>15</sup> in charge of preparing regulatory proposals and policies aimed at improving the environmental and social conditions under which economic activities are developed, particularly extractive industries. This commission was made up of the President of the Council of Ministers and the Ministers of the Environment, Development and Social Inclusion, Agriculture, Economy and Finance, Energy and Mines, Culture, Health and Production. At the same time, the Executive Branch submitted to the Congress of the Republic Bill No. 1461-2012, which proposed the creation of Senace, as an entity in charge of reviewing and approving the EIS. In October of the same year, the Multi-sector Commission submitted, as an end product, the report called "Strategies of environmental management"<sup>16</sup>, in which it set objectives and actions intended to strengthen and improve the environmental and social approach for development.

**THE CREATION OF SENACE IS THE FIRST STEP TOWARDS INDEPENDENT AND SPECIALIZED ENVIRONMENTAL MANAGEMENT, WITH A VIEW TO REGAINING CREDIBILITY AMONG THE POPULATION WITH RESPECT TO ENVIRONMENTAL IMPACT STUDIES.**

One of the most important conclusions of the Multi-sectorial Commission was the need to strengthen the environmental management mechanisms and instruments for the State to guarantee the environmental and social sustainability of investment projects. The proposal was to create and implement, in a progressive manner, an entity in charge of the review and approval of the EIS of projects at the national and multi-regional level. This proposal materialized with the Congress' approval of the creation of Senace<sup>17</sup>. The support for this proposal and for the creation of Senace was broad, including organizations of the civil society that considered it the first step towards independent and efficient environmental management<sup>18</sup>, with a view to regain credibility among the population and the



citizens with respect to the environmental impact assessment<sup>19</sup>

This process to create and consolidate Senace has earned international support. The Organization for Economic Co-operation and Development (OECD) and the Economic Commission for Latin America and the Caribbean (ECLAC) recommended in their report "Environmental Performance Review of Peru 2016" to continue with the strengthening

and implementation process of Senace, to facilitate efficient and independent environmental management through a one-stop shop system and become the technical reference of EIS<sup>20</sup>. In this respect, a key issue is to achieve financial sustainability to guarantee that the services that it provides are timely, rigorous and efficient. Likewise, the Human Rights Committee of the United Nations has recognized that Senace "is putting a greater emphasis on the social aspects of the EIS"<sup>21</sup>. ●

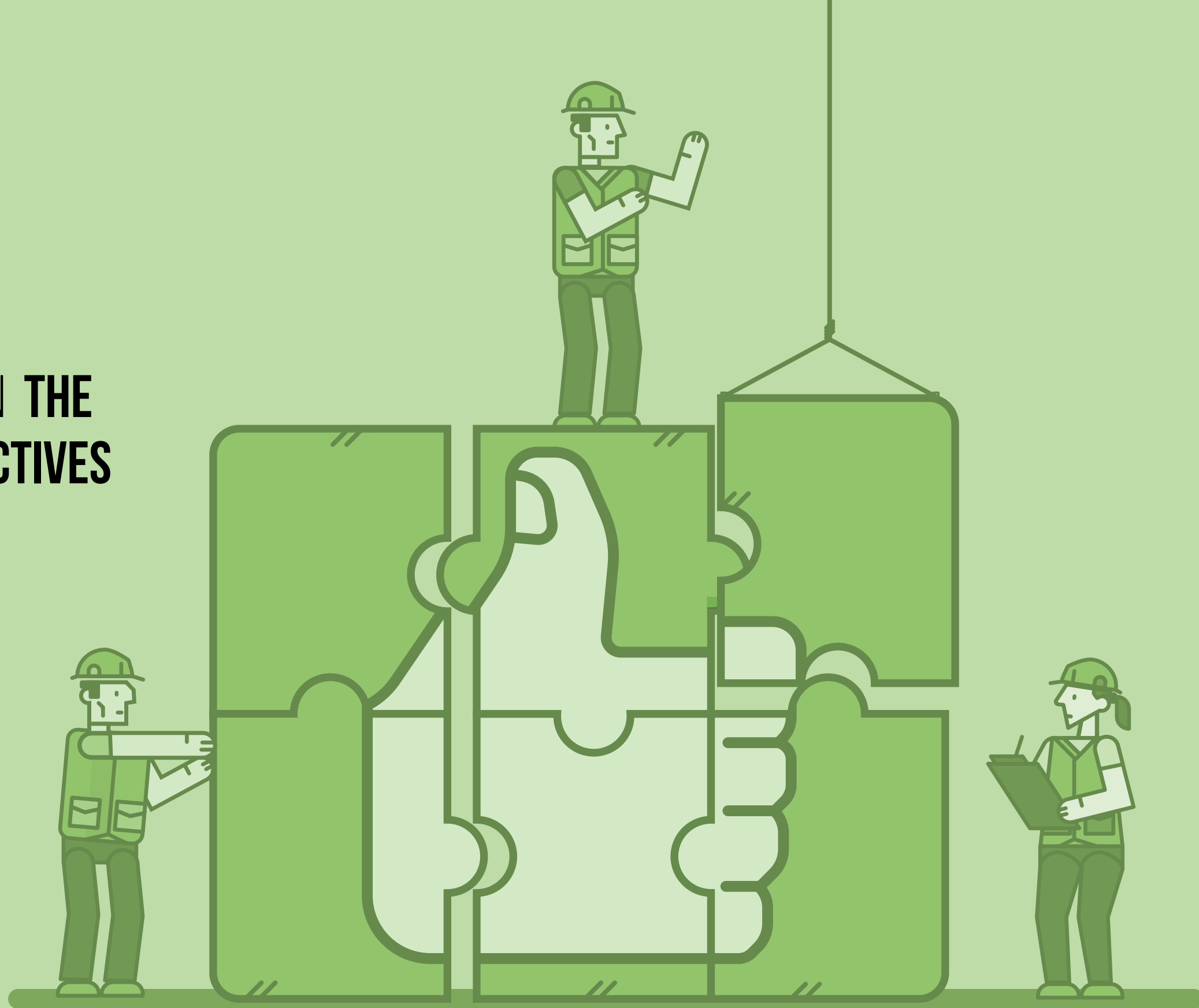
# 02

## A UNIQUE AND PLURAL ORGANIZATION FOCUSED ON **THE FULFILLMENT OF ITS OBJECTIVES**

How an institution is organized, particularly within the State, is essential to understand its purposes, how it plans to fulfill them and foresee its development. In this respect, Senace has an advantage: its organization, mission and guidelines have been developed over a period of three years, in a planned and progressive manner, addressing its challenges and learning from the lessons of the environmental impact assessment under the sector-oriented model.

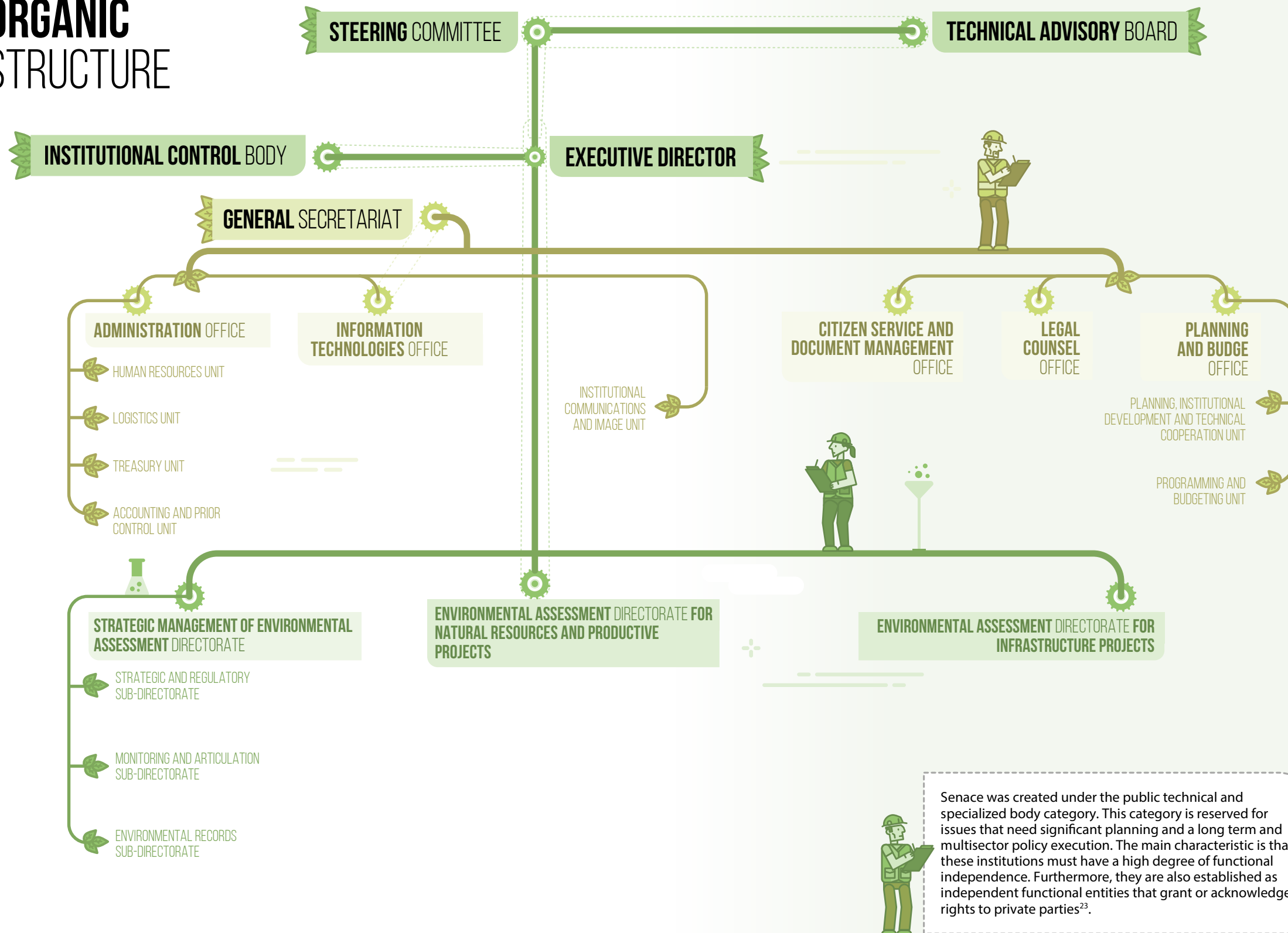
Furthermore, since its creation, Senace has been implemented following the policies of public sector modernization<sup>22</sup> and meritocratic management. The main purpose has been to obtain higher efficiency of the state apparatus to provide high quality services to the citizens, prioritizing and optimizing the use of the public resources.

Senace's organic structure and its duties are explained below, as well as the institutional policy guidelines and their major objectives. All of them are designed to allow Senace to face the challenges of its creation: more efficiency and appropriate deadlines, as well as more accuracy, transparency and legitimacy.





# ORGANIC STRUCTURE



Senace was created under the public technical and specialized body category. This category is reserved for issues that need significant planning and a long term and multisector policy execution. The main characteristic is that these institutions must have a high degree of functional independence. Furthermore, they are also established as independent functional entities that grant or acknowledge rights to private parties<sup>23</sup>.

# ROLE OF SENACE



To evaluate detailed Environmental Impact Assessments, as set forth in the act that created it.



To approve the classification of environmental studies within the framework of the SEIA the transfer of which authority has been completed.



To assess and approve the Global Environmental Certification, as well as the updates, modifications and amendments thereof.



To coordinate with all the institutions related to the Global Environmental Certification for the issue of the certification within the established deadlines.



Common use and supervision of the preparation of the Baseline.



To administer the National Registry of Environmental Consulting Firms and the Administrative Registry of Environmental Certifications.



To implement the Environmental Certification One-Stop Shop mechanism.



To prepare proposals for the continuous improvement of the environmental evaluation processes, including government coordination mechanisms and the good practices on community relations and citizen participation<sup>24</sup>.



The Steering Committee is the governing body of Senace. Its composition shows the political commitment of the Peruvian Government to include the environmental dimension in public policies with the highest standards.

The Steering Committee plans, directs and supervises the role of Senace and, pursuant to the Institutional Regulations on Organizations and Responsibilities, holds an ordinary meeting at least once every semester. Its role is to accompany and guide the Executive Director of Senace, as well as approve some instruments and rules that are vital for its operation. This plural Steering Committee open to a transparent political

discussion forms an appropriate balance with the rest of the institution made up of top-level technicians.

The Executive Director is the highest executive authority and exercises the legal representation of the institution. Its appointment is entrusted to the Steering Committee and its designation is subject to objective evaluation and selection mechanisms approved by the Steering Committee, all in order to guarantee the suitability of its election.

Senace has a Technical Advisory Board that issues an opinion on the matters relevant to the

**SENACE HAS A TECHNICAL ADVISORY BOARD THAT ISSUES AN OPINION ON THE MATTERS RELEVANT TO THE AUTHORITY OF SENACE, AND ITS REPORTS ARE ILLUSTRATIVE IN NATURE.**

## 01

### ENVIRONMENTAL ASSESSMENT DIRECTORATE FOR NATURAL RESOURCES AND PRODUCTIVE PROJECTS (DEAR)

authority of Senace, and its reports are illustrative in nature. It performs its functions ad honorem and consists of five specialists of recognized experience in matters related to development projects and investments. The people who make up this board come from the academic and business world and from the civil society in order to ensure a diversity of perspectives<sup>25</sup>.

Furthermore, for the development of the functions entrusted to Senace, it was deemed necessary that the Technical Advisory Board has three core organizational units. Two of them are fully focused on conducting the administrative procedures of environmental assessment which are the purview of the institution, and the third one has the exclusive purpose of maintaining a strategic vision that allows the continuous improvement of the institution and of the services provided to the citizens and companies:

This body oversees the evaluation of the EIS and the Global Environmental Certification (IntegrAmbiente) of investment projects for the use and transformation of natural resources and productive activities, such as mining, electrical, oil, agricultural or industrial projects. In addition, it evaluates other related procedures such as classification requests for EIS (screening), modification requests and updates.



# 02

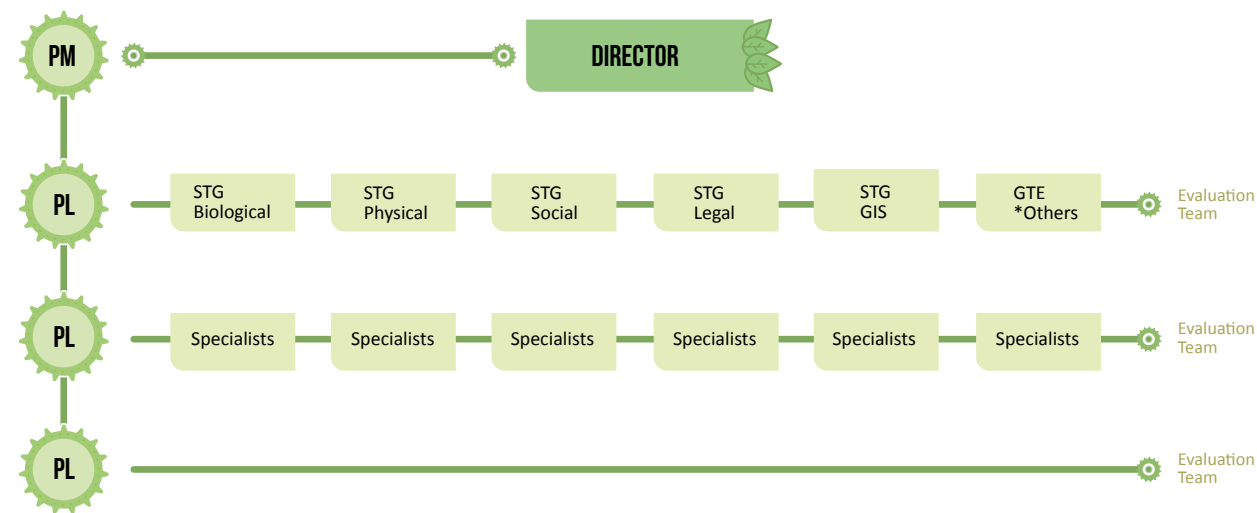
## ENVIRONMENTAL ASSESSMENT DIRECTORATE FOR INFRASTRUCTURE PROJECTS (DEIN)

This directorate oversees the evaluation of the EIS and the Global Environmental Certification (Integrambiente) for infrastructure investment projects and others economic activities. Difference from DEAR, DEIN focuses on projects such as roads, railways, ports, airports, transmission lines, among others.

In accordance to the principle of continuous improvement, since 2018 Senace adopted the matrix structure in DEAR and DEIN<sup>26</sup>. The new working model is based on the Projects Managers, Projects Leaders, Evaluation Teams and

Specialized Technical Groups, who perform their roles in a collaborative and horizontal manner. The Project Leaders manage and coordinate the Evaluation Teams in order to develop the actions and studies related to the environmental assessment of the investment projects assigned to them, while the Project Manager ensures the optimal use of personnel and resources. Meanwhile, the Specialized Technical Teams ensure the uniform technical criteria application.

This new structure will allow the environmental assessment organizational unit to provide a more efficient and citizen-oriented service, through permanent teamwork, with technical quality and close monitoring of deadlines, with greater response capacity and resources optimization. In this way, Senace became the first environmental authority in the country to adopt this approach, which has been successfully implemented in other organizations around the world.



PM: Project Manager PL: Project Leader STG: Specialized Technical Group \*Others: when needed

# 03

## STRATEGIC MANAGEMENT DIRECTORATE

This Directorate is in charge of leading the optimization processes of the SEIA, in harmony and articulation with current environmental regulations.

In order to fulfill Senace's functions, this strategic management becomes essential. It allows Senace to anticipate to future potential projects, as well as providing information, analysis and useful tools for authorities, companies and citizens involved in environmental certification. In addition, it is responsible for the analysis of the information resulting from the certification processes in order to propose improvements in procedures, as well as developing indicators to promote the permanent improvement of the processes under the responsibility of the Entity.

This directorate is responsible for three sub-directorates:

- Strategic Projection and Regulations Sub directorate is in charge of carrying out analysis and research in environmental impact assessment, generating and managing information, statistics and/or other instruments necessary to formulate technical-regulatory proposals and improvements to the current regulatory framework for processes that Senace carries out.

- Monitoring and Articulation Sub Directorate, is in charge of articulating with the entities of the three levels of government and private sector aspects related to environmental impact assessment processes under Senace competence, and the administration and operation of the National Environmental Consulting Firms Record and the Environmental Certification Administrative Record; as well as promoting actions linked to socio-environmental conflicts monitoring related to the Environmental Impact Assessment processes. It is also the responsible of the designing and managing of the Environmental Certification One Stop-Shop.

- Environmental Records Sub directorate oversees the administration of the National Environmental Consulting Firms Registry and the Environmental Certification Administrative Records of national and multiregional scope; as well as the promotion of the good performance of the environmental consulting firms.

# INSTITUTIONAL MISSION AND STRATEGIC GOALS

The mission of Senace is oriented toward citizen service, which implies **an efficient, effective and timely response from its processes.**

The institutional mission of Senace defines the purpose of the entity, within the framework of the authority and roles set out in the Act that creates it, according to the State modernization criteria and the provisions established by the National Strategic Planning Center (CEPLAN). It is articulated with the environmental sector vision, acknowledging Senace's key role within the SEIA framework, and it has been built based on the reflection by its workers. Senace's institutional mission is:

"Provide a certification service for environmental impact studies of investment projects on a timely, transparent and reliable basis with technical quality, which promotes the sustainable development of the country."

Senace, in view of the State modernization policy, is oriented toward serving the citizens, which implies optimizing processes so that they allow an efficient, effective and timely response to their requirements.

The institutional strategic goals derive from the mission and guide Senace's management toward the achievement of the strategic goals of the environmental sector. The strategic goals of Senace are:

## 01 TO PROMOTE THE SUSTAINABLE MANAGEMENT OF NATURAL RESOURCES THROUGH THE ENVIRONMENTAL CERTIFICATION OF INVESTMENT PROJECTS

Senace, through the environmental certification of investment projects, promotes the sustainable management of natural resources; encouraging the prevention and reduction of negative impacts and intensifying the positive impacts of interventions on the environment and the society.



The environmental certification is defined as the decision of the environmental authority on the environmental and social feasibility of investment projects, and it must be granted on an effective and timely basis, guaranteeing a rigorous and transparent assessment process that builds citizen trust. This is achieved through continuous improvement and the incorporation of good international practices and the compliance with social and environmental sustainability standards.

## 02 TO ENSURE EFFECTIVE COORDINATION IN TERMS OF ENVIRONMENTAL IMPACT ASSESSMENT WITH PRIORITIZED STAKEHOLDERS

Senace is responsible for setting the appropriate scenario for the development of investment projects through articulated work with the various government levels, overseeing the relation between communities and the project proponents within the area of influence of the project, and improving the social and environmental standards as well as the conflict prevention and management mechanisms based on citizen participation. ●

# GUIDELINES OF SENACE'S INSTITUTIONAL POLICY

The Steering Committee of Senace, as the governing body of the institution, **approved the following general strategies that must guide its institutional development<sup>27</sup>:**



## A.

**To provide an efficient, timely and predictable environmental certification service for investment projects, which builds trust and credibility with citizens.**

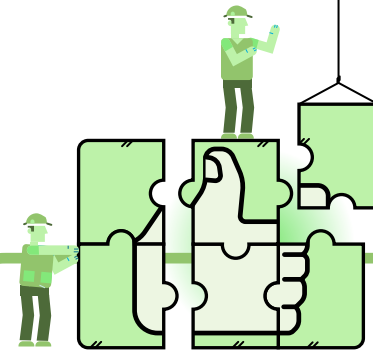
To ensure that the preventive nature of the assessment of environmental impact studies of investment projects is met, Senace develops a smooth and modern public management. The ultimate purpose of this management is to ensure a rigorous and transparent assessment process that builds citizen trust through the continuous improvement of the services it provides, the incorporation of good international practices, and the compliance with social and environmental sustainability standards.



## B.

**To strengthen the environmental institutional structure and the coordination with the various government levels in order to contribute to the sustainable development of the country**

The correct and timely application of the legal and technical regulations within the framework of the SEIA strengthens the environmental institutional structure, which makes Senace an important focal point for the development of sustainable investments in the country. For that purpose, Senace contributes to the effective protection of the environment through the Environmental Certification process for investment projects, during which priority is given to environmental sustainability and which is oriented towards the good environmental and social performance of the companies developing such projects. The coordination of Senace with other public entities from the three government levels will facilitate the achievement of common public policy objectives concerning environmental matters, which are developed based on the establishment of channels or synergies required for their implementation. For that purpose, strategic partnerships are prioritized at a national and regional level, as well as the generation of links for communication and exchange of information that contribute to this process.



## C.

**To strengthen the institutional culture, capabilities and authority of the personnel for a better service to citizens**

Senace is constantly seeking the commitment of its workers with the institutional objectives and values. The institutional strengthening will ensure the development of its team's capacities and of the instruments required for the optimal fulfillment of its mission. In order to achieve such purpose, Senace seeks engagement with its counterparts with similar objectives and international prestige, which, under cooperation agreements or the like, contribute to the institutional strengthening of the personnel's capabilities and competencies, including the acquisition of new assessment methodologies for environmental impact studies. Furthermore, the adoption of Information and Communication Technologies (ICT) is relevant for the development of Senace's activities, so the development of IT support for the Global Environmental Certification One-Stop Shop is prioritized with a view to the optimization of this process.

## D.

**To strengthen transparent management with timely accountability and informed citizen participation**

Senace gives priority to transparency, access to public information, citizen participation, and the accountability of its management, building trust from the users of its services, the related public and private entities, and citizens in general. Thus, Senace, through effective mechanisms such as dialogue and with duly informed citizen participation, contributes to preventing social and environmental conflicts and their eventual management, thus promoting environmental governance.



# 03

## THE JOURNEY TRAVELED

Taking into account the technical quality required for this new entity, it was deemed appropriate that there be a previous implementation period before the transfer of responsibilities, a sui generis step in the creation of specialized technical agencies in our country. The purpose was for Senace to have trained personnel, approved public management instruments, and the goods, services and economic resources required to perform efficiently the functions entrusted.

During the 2012-2015 period, Senace has built its institutional structures gradually, strengthening the professional skills of its personnel, the coordination with other authorities at different government levels, and developing technical guidelines in order to ensure an effective and transparent assessment process.

For the implementation process of this new agency, some stages were established<sup>28</sup> which should be governed by the principles of preclusion, fulfillment of conditions, predictability, transparency in the implementation process, capacity building, and gradualness.



# TECHNICAL AND REGULATORY TOOLS APPROVED BY SENACE

Since 2014, Senace has approved various rules, guides and guidelines in order to fulfill its institutional objectives.

Senace has a general environmental regulatory framework that corresponds to the rules regulating the SEIA and specific rules that have been issued by each sector. Gradually, the institution seeks to supplement this regulation through guides and manuals for the preparation and assessment of the EIS.

To date, Senace has approved rules, guides and guidelines that are mainly aimed at standardizing criteria, improving the quality of the EIS, implementing the administrative simplification, promoting citizen participation, and fostering ethics in public service, among others.

**STANDARDIZATION OF CRITERIA:** In order to promote the technical and objective assessment of the EIS and build citizen trust, Senace approved the following technical and regulatory instruments:

- Criteria for the matrix structure implementation in Senace<sup>29</sup>.
- Complementary measures for the preparation of EIS<sup>30</sup>.
- Manual of Appropriate Source Referencing in the writing up of EIS<sup>31</sup>.

- Field Work Protocol for the Senace specialists<sup>32</sup>.
- Manual of the detailed EIS – Mining Subsector<sup>33</sup>.
- Manual of the detailed EIS – Oil & Gas Subsector<sup>34</sup>.
- Manual of the detailed EIS for the Electricity Subsector of Senace<sup>35</sup>.
- Checklist Methodology for mining, roads, electricity, ports and oil & gas projects.
- Guideline that promotes the indivisibility principle in the EIS assessment process<sup>36</sup>.
- Guideline for the Incorporation of Climate Change Mitigation and Adaptation within the EIS.

**QUALITY OF THE EIS:** For this purpose, it is necessary to ensure the suitability of environmental consulting firms, so that they meet the minimum requirements of experience, specialization and probity. Thus, Senace approved the following:

- The progressive implementation of quality management systems of the environmental consulting firms that are part of the National Registry of Environmental Consulting Firms of Senace<sup>37</sup>.

- The minimum conformation of multidisciplinary professional teams for those firms that want to register with the National Registry of Environmental Consulting Firms for the Energy and Mines sectors, the Transport subsector and the Agriculture sector<sup>38</sup>.

**ADMINISTRATIVE SIMPLIFICATION:** With the implementation of the digital platform of the Environmental Certification One-Stop Shop, managing the procedures online and in real time under Senace's responsibility is possible, which streamlines the times and processes of assessment of the EIS; in that respect, the institution approved the following instruments:

- The IT application for the procedure of registration in the Roster of Specialists of Senace<sup>39</sup>.
- The next launch of the IT Platform called "EVA" which will replace existing platforms.

In September 2017, Senace got INDECOPI's recognition for the elimination of bureaucratic barriers.

**PROMOTION OF CITIZEN PARTICIPATION:**

Senace places emphasis on the efficacy of the participation mechanisms proposed by the holder, so that they are really effective. Thus, Senace approved the technical and regulatory document called "Social Management Tools for Environmental Certification"<sup>40</sup>, "Guide for the Preparation of the Executive Summary of the EIS in audiovisual version"<sup>41</sup>, the "Guidelines to Promote Women Participation in the Environmental Certification Process"<sup>42</sup> and the "Roadmap with Indigenous Peoples"<sup>43</sup>.

**IN THE LAST THREE YEARS, SENACE APPROVED RULES, GUIDES AND GUIDELINES TO STANDARDIZE CRITERIA, IMPROVE THE QUALITY OF THE EIS AND SIMPLIFY THE PROCEDURES.**

**ETHICAL GUIDELINES:** To promote an appropriate and ethical behavior of its workers, Senace has approved the following rules:

- Protocol of conduct for holding technical meetings of Senace<sup>44</sup>.
- Code of Ethics of Senace<sup>45</sup>.
- Internal Regulations for Civil Employees of Senace<sup>46</sup>.
- Declaration of interests for the civil servants of Senace.

Since 2017, Senace has begun the implementation of the ISO 37001 – Anti-bribery Management System, a new standard which seeks to promote an ethic culture within the organization and strengthen the prevention, detection and appropriate management of criminal bribery behavior.

**TRANSPARENCY:**

Senace has been making multiple efforts to carry out an environmental impact assessment transparently, such as:

- Senace's Dashboard
- Environmental consulting firm performance indicators
- Senace's Open Data Portal
- Senace APP for mobile devices
- Senace Open Doors events



## RELEVANT ACTIVITIES IN THE IMPLEMENTATION AND EXERCISE OF FUNCTIONS OF SENACE

In order to ensure the fulfillment of its objectives, Senace works in the strengthening **of its capabilities, in improving interinstitutional coordination and in creating space for dialogue with its various stakeholders.**

### CAPACITY STRENGTHENING

Senace's nature is to be a technical body specialized in the assessment of environmental impact and, for that purpose, it is essential to have a team of well-trained professionals.

- The strengthening of capabilities undertaken by Senace seeks to promote the integral development of Senace's personnel, of their skills with respect to environmental impact assessment and, as a result, the development of the organization.
- Promoting and strengthening technical knowledge, with the adoption of international standards and practices, according to each sector, for a better performance of the environmental assessment and certification activities.
- Standardization of the process and reduction of discretionality in the environmental certification assessment.

In that respect, capacity building in Senace's implementation process has been oriented towards increasing the personnel's knowledge about highly specialized technical aspects.

The selection of technical knowledge responds to the prioritization and evaluation of the skills, methodologies and procedures associated with the environmental impact assessment process, and takes into account the schedule of transfer of functions and a forecast of the potential investment projects to be entered in Senace.

### INTERINSTITUTIONAL COORDINATION MECHANISMS

For Senace's implementation process to be successful, it is essential to improve the interinstitutional coordination, taking into consideration that various authorities take part in the environmental impact assessment process by issuing technical opinions.

Therefore, Senace, as part of the coordination activities to streamline procedures, to obtain information in a timely manner, and to meet the legal deadlines for the processing of case files, the execution of agreements was proposed and, within the framework of these agreements, the development of work plans with the strategic entities, in order to specify commitments and obligations within the framework of the SEIA and of the Environmental Certification One-Stop Shop.



The purpose is to guarantee the institutions' commitment in the following aspects:

- Coordination for EIS evaluation;
- Exchange of information of mutual interest;
- Performance of their respective functions, within the framework of the Environmental One-Stop Shop;
- Promotion of the use and application of information technologies;
- Establishment of specialized work groups that promote the exchange of experiences and training actions;
- Interoperability between Senace and the expert and authoritative entities.

Senace has executed interinstitutional cooperation agreements with various public entities including those specialized in forests, water, health, interculturality, protected natural areas, and audit, among other matters. Most of them are key technical experts during the environmental certification procedures such as the General Directorate of Environmental Health and Food Safety (DIGESA for its abbreviation in Spanish) of the Ministry of Health, the General Directorate of Agricultural Environmental Affairs (DGAAA for its abbreviation in Spanish) of the Ministry of Agriculture and Irrigation, the National Forest and Wildlife Service (SERFOR for its abbreviation in Spanish), the Ministry of Culture, the Supervisory Board for Investment in Energy and Mining (OSINERGMIN for its abbreviation in Spanish), the National Water Authority (ANA for its abbreviation in Spanish), and the National Service of Natural Areas Protected by

### SENACE HAS EXECUTED VARIOUS INTERINSTITUTIONAL COOPERATION AGREEMENTS WITH STRATEGIC ORGANIZATIONS IN ORDER TO ACHIEVE ITS GOALS.

the State (SERNANP for its abbreviation in Spanish), among others.

Furthermore, there are also agreements with institutions of the civil society that provide support in technical and legal matters<sup>47</sup>.


#### ORIENTATION TOWARDS DIALOGUE

Senace is aimed at guaranteeing the development of sustainable investments; thus, it is oriented towards ensuring a balance between investment and the environment.

The institution has adopted a flexible management scheme in order to adapt to the various stakeholders that participate in the environmental certification process and coordinate with them on a timely basis, open to dialogue and to listen and understand their needs.

As part of its rapprochement strategy with key

stakeholders, Senace has created space for dialogue with the various stakeholders: business associations, chambers of commerce, universities, professional associations, organizations and associations linked to environmental and indigenous issues.

Furthermore, it is committed to a more effective citizen participation, sustained through three important pillars: accessibility, transparency and inclusion. The citizen participation actions, such as Early Social Engagement, the Road Map with Indigenous Population and the Educational Videos on Environmental Evaluation, were recognized by the Peruvian organization "Ciudadanos al Día" as a good government practice in 2017. 



# 04

## ENVIRONMENTAL IMPACT ASSESSMENT

This instrument includes the activities and components of the proposed project, making it possible for the environmental authority to make decisions to guarantee as little impact as possible. In addition, it ensures environmental management measures that promote sustainable development.





## ENVIRONMENTAL CERTIFICATION UNDER SENACE'S RESPONSIBILITY

Senace is the authority in charge of evaluating **the EIS of investment projects.**

**E**very individual or legal entity, of public or private law, national or foreign, which intends to develop an investment project that may generate significant negative environmental impacts, must obtain an environmental certification from Senace.

Based on the significance of the negative impacts generated by investment projects, the environmental management instruments may be qualified as category I, II or III.

The screening of projects becomes relevant in the environmental certification process due to the fact that their category is defined at that stage and therefore, the depth of the analysis that the environmental management instrument will have.

When the project qualifies as category III<sup>48</sup>, a detailed EIS will be required, in which Senace will be responsible for its assessment.

The category III instrument or detailed EIS is an environmental management instrument that provides details of the activities and components of the project proposed, at the feasibility level, which allows Senace to require the appropriate management measures to ensure as little as environmental impact as possible, thus constituting a key mechanism to promote sustainable development.

The gap in the regulatory adaptation of the competent sector authorities to the provisions of the SEIA is one of the main problems in the harmonious implementation of the system. In that respect, it is appropriate that the transfer of responsibilities to Senace has commenced with the mining sector, taking into consideration that it is the sector with more regulation on this matter.

The processes and activities related to the assessment of the EIS under the responsibility of Senace are briefly described below.



SHUTTERSTOCK

### EVALUATION OF THE APPLICATION FOR SCREENING AND APPROVAL OF TERMS OF REFERENCE OF THE EIS

The project proponent recommends a certain category to Senace during the screening of its project so that Senace confirms the proposed category and approves the Terms of Reference. For every project, Senace will perform the screening procedure for the transferred sectors.

In addition, Senace approves the Declaration of Environmental Impact (DIA for its abbreviation in Spanish) where projects qualify as category I, as a result of the screening procedure<sup>51</sup>.

In 2017 Senace published the Guide for the elaboration of Preliminary Evaluations (Scoping) in the Transportation sector to guide the project proponents and environmental consulting firms in how

to prepare an adequate Preliminary Environmental Assessment (EVAP) of road projects. In this way, this contributes to the improvement of the quality of this instrument and the efficiency in the environmental evaluation. The guide is especially oriented to the elaboration of EVAP of smaller road projects, mainly managed by regional governments and municipalities, which do not have an advanced classification and are proposed as category I, that is, those projects whose execution would not originate negative environmental impacts of significant nature.

### EVALUATION AND APPROVAL OF THE CITIZEN PARTICIPATION PLAN PRIOR TO THE SUBMISSION OF THE EIS

The Citizen Participation Plan describes the participation mechanisms aimed at informing and promoting dialogue between the company inten-

**THE TRANSFER OF FUNCTIONS TO SENACE BEGAN IN 2015 WITH THE ENERGY AND MINING SUBSECTORS FOLLOWED, IN 2016, BY THE TRANSPORT SUBSECTOR.**

ding to develop the project, the population and the stakeholders of the areas of influence where the various investment projects are located.

Senace evaluates that the Citizen Participation Plan contains the appropriate mechanisms that allow the population to submit their contributions and comments to the investment project and to be served within framework of the evaluation process.

Following the transfer of the function of review and approval of EIS. Senace is the competent authority to review and, where applicable, approve the Citizen Participation Plans of these instruments.

This stage is developed in accordance with the specific provisions set out in the sector-centered legislation<sup>50</sup>.

**EIS BASELINE SUPERVISION**

The supervision is intended to ensure the appropriate quality of the information that will be contained in the baseline study. For this purpose, the company is required to prepare a plan and a schedule to gather information and prepare the baseline, which will allow Senace to take part during part of this stage.

This supervision that Senace does in the elaboration of the EIS baseline is called "baseline supervision"<sup>51</sup>. It ensures greater presence of

the environmental authority at an early stage of the preparation of the instrument and will help preventing further technical objections to the study.

**EVALUATION OF THE APPLICATION FOR REVIEW AND APPROVAL OF THE EIS**

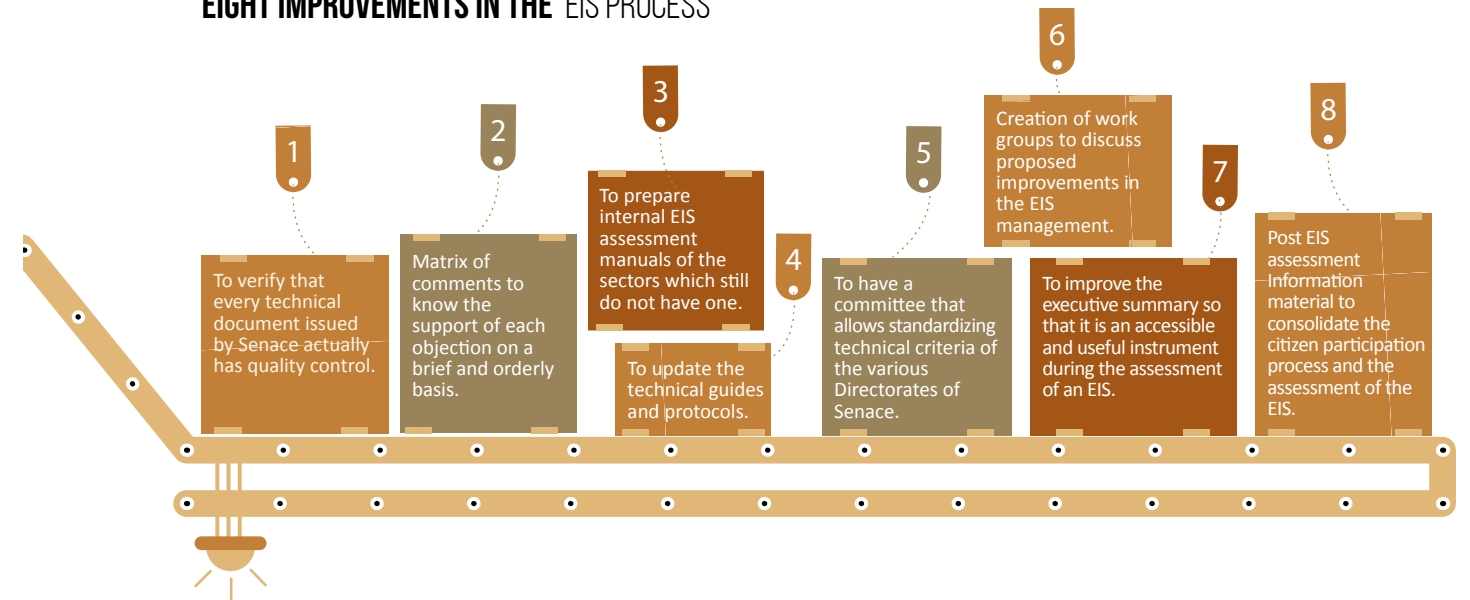
The environmental impact assessment is a participatory process, technical and administrative in nature, intended to prevent, minimize, correct and/or mitigate and inform about the potential negative environmental impacts that may arise from investment projects, as well as intensify their positive impacts<sup>52</sup>.

As from the date on which the exercise of the transferred responsibilities commences, Senace is the competent authority to evaluate and approve the applications for review and approval of the EIS-d of investment projects in application of the SEIA rules, the rules approved by the sector, and those approved by Senace.

**EVALUATION OF THE APPLICATION FOR MODIFICATION OF THE EIS AND OF THE SUPPORTING TECHNICAL REPORT (ITS FOR ITS ABBREVIATION IN SPANISH) OF THE EIS**

As from the date on which the exercise of the transferred responsibilities commences, Senace is the competent authority to evaluate and approve the applications for modification of the EIS; and to evaluate and approve the applications for ITSs related to the investment projects with EIS approved<sup>53</sup>.

**EIGHT IMPROVEMENTS IN THE EIS PROCESS**



**UPDATE OF THE APPROVED EIS**

As set forth in the current regulations, as of the fifth year counted as from the approval of the EIS, the companies developing projects must update the environmental assessment<sup>54</sup>, and this will be performed as provided for in the sector regulations, as long as specific rules are approved.

The purpose is to have an instrument that facilitates the follow-up of the environmental commitments contained in the environmental studies, and the exercise of the environmental supervision and enforcement functions.

In its first two years of functions, Senace has approved 17 EIS and modifications of important investment projects associated with a CAPEX of US \$ 4.3 billion in the subsectors of Mining, Oil & Gas and Electricity. All these studies have been evaluated within the legal time limit (approximately 7 months).

As of January 2018, Senace is reviewing 10 EIS or EIS modifications, associated with a CAPEX of US \$ 3.3 billion, among which the expansion of Jorge Chávez airport and the production of lot 58 stand out.

The Senace evaluation model has allowed the EIS to be reviewed in shorter time period than in the previous model (in which the promoter sectors did the environmental assessment). According to an internal analysis, on average, Senace takes 79 fewer business days to carry out this evaluation compared to the previous model.

The real evaluation time limit of the EIS by Senace (approximately 7 months) is reasonable and comparable (or even lower) with other countries, such as Canada (9 months), Chile (18 months), Colombia (5 months), Mexico (9 months) or South Africa (12 months).



# GLOBAL ENVIRONMENTAL CERTIFICATION – “INTEGRAMBIENTE”

The Global Environmental Certification represents a change in the environmental permit management model, which seeks efficiency **in the administrative processes without compromising environmental quality.**

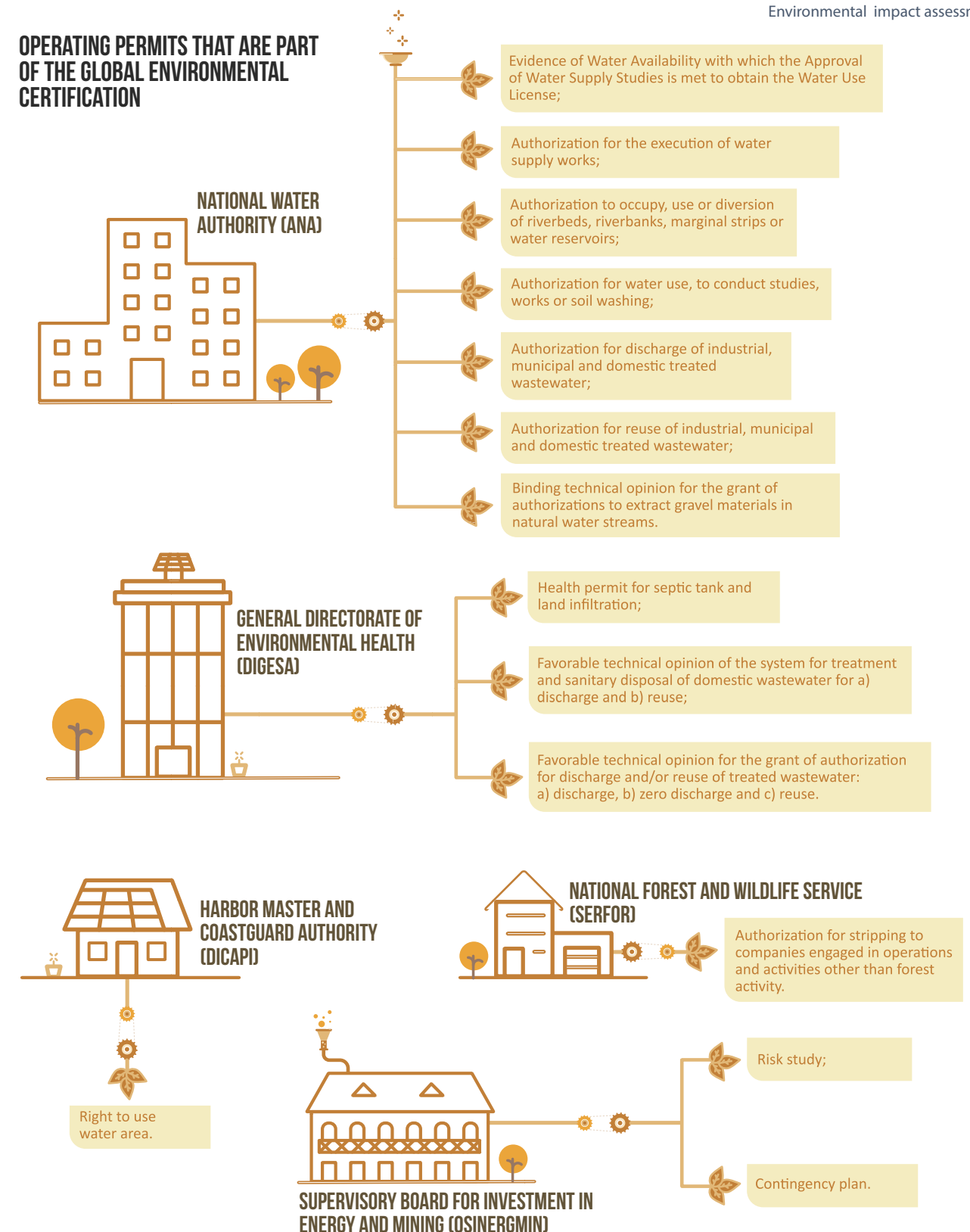
The SEIA and the “traditional” environmental certification were designed so that the approval of the EIS does not include the granting of any other permit, authorization and/or license authorizing the execution of an investment project. Upon the enactment of the “Act on Investment Promotion for Economic Growth and Sustainable Development<sup>55</sup>, the Global Environmental Certification, also known as “IntegrAmbiente”, was created. This type of certification streamlines the time of project proponents, making the whole regulatory process more efficient, and ensuring the quality of the environmental certification procedure whilst consolidating the procurement of various permits, licenses and authorizations with environmental implications, in a single administrative act.

The Global Environmental Certification is defined as the administrative act issued by Senace in which the EIS is approved, integrating other applicable operating permits related to the

environmental certification procedure within the framework of the SEIA.

IntegrAmbiente represents an effort to increase the efficiency of public administration. It is mainly intended to introduce improvements in the administrative process of environmental certification under Senace’s responsibility, maintaining or improving the accuracy of environmental impact assessment.

The Global Environmental Certification changes the sequential permit system, in which the EIS were approved first and other permits were granted later, to a more efficient model in which they are applied for and approved simultaneously. The efficiency of administrative procedures is sought, avoiding unnecessary duplicity without compromising the quality of the environmental studies, or the technical rigorousness required for the environmental impact assessment, within a regulatory framework that encourages early planning. In other words, the evaluation of the studies is not watered down.



The evaluation procedure requires greater efforts of intersectoral coordination and rapprochement with communities through an interdisciplinary team in the social sciences field who will develop baseline validation and stakeholder identification, as well as coordination meetings with the project proponents, among other actions.

The Global Environmental Certification has the following advantages:

- It avoids duplicity in both impact assessment and administrative procedures.
- It eliminates potential contradictions be-

tween the various environmental authorities and their evaluators.

- It reduces transaction costs by managing, in an efficient manner, the time to implement the investment projects.
- It boosts interinstitutional coordination, facilitating the exchange of information between the institutions related to the global environmental certification procedure.
- It guarantees a smooth and timely procedure with reasonable time limits, maintaining or improving the rigorousness of the assessment. ◉



# 05

## REGISTRIES MANAGED BY SENACE

Pursuant to the law that created the institution, Senace manages:

- The National Registry of Environmental Consulting Firms, which is made up of the companies authorized to prepare environmental impact studies within the framework of the SEIA.
- The Administrative Registry of Environmental Certifications, which contains the environmental certifications granted or denied by the competent sector authorities and Senace.



# REGISTRY OF ENVIRONMENTAL CONSULTING FIRMS

**This registry is an instrument that contributes to increasing the quality of Environmental Impact Assessments.**

**T**he regulatory background of this registry can be found in the Code of the Environment and Natural Resources of 1990. This code sets forth that EIS can only be prepared by public or private institutions duly qualified and registered with the competent authority<sup>56</sup>.

This rule was for the holder of the project to entrust the preparation of the EIS applicable to its activity to a specialized entity. These entities should meet two basic requirements: to have a technical qualification and to be registered with the competent authority.

The Framework Act for Private Investment (1991) specified that environmental impact assessments should be prepared by companies or institutions duly qualified and recorded in registries of the competent sector authorities<sup>57</sup>.

The SEIA Act<sup>58</sup> and its regulations determined the implementation of a single registry of environmental consulting firms under the Ministry of the Environment's responsibility.

Such criterion was set out, in turn, in the Directive issued by the MINAM to strengthen

the performance of the sector-oriented environmental management (2012). This Directive sets forth that sector-oriented environmental authorities should submit to the MINAM the sector records of the entities authorized to prepare environmental impact assessments, so that they are included in the Single Registry of Authorized Entities to prepare strategic environmental assessments and environmental studies<sup>59</sup>.

Thereafter, managing the National Registry of Environmental Consulting Firms pursuant to the act that created it. Thus, since December 28, 2015, environmental consulting firms that prepare environmental assessments of the Energy and Mining Sector carry out their registration, renewal, modification or update procedures, accordingly, before Senace<sup>60</sup>; since July 14, 2016, environmental consulting firms that prepare environmental assessments for the Transport subsector; and, since August 14, 2017, the environmental consulting firms of Agriculture.

The EIS are multi-disciplinary technical studies so they need to be prepared by qualified professional teams in various areas properly covering

the requirements of the technical, environmental and social components of EIS. In that respect, this registry is an instrument that contributes to increasing the quality of EIS.

Assigning this Registry to an agency that will concentrate the records from various sectors constitutes progress in the modernization and improvement in environmental impact assessment, given that the requirements and standards required for environmental consulting firms are intended to improve the quality of EIS. Furthermore, it is important to state that the role assigned to the Agency for Environmental Assessment and Enforcement (OEFA for its abbreviation in Spanish) is very significant for the enforcement of the obligations of environmental consulting firms and the professionals who make it up.

## PROGRESS IN THE IMPLEMENTATION OF THE REGISTRY OF ENVIRONMENTAL CONSULTING FIRMS

In order to guarantee the multidisciplinary approach and specialty, Senace has regulated the establishment of the minimum teams of professionals from the consulting firms that

renew or register to provide services for the preparation of environmental studies of the Energy and Mines sector, the Transport subsector, and the Agriculture sector. Such teams must be made up of at least six (6) specialized professionals with experience.

Furthermore, for the continuous improvement of technical competence of the environmental consulting firms, Senace has established the progressive implementation of quality management systems of the processes related to the preparation of environmental studies by the environmental consulting firms<sup>61</sup>.

In addition, performance indicators have been approved, which will apply to the environmental consulting firms that prepare environmental studies and that are registered in the National Registry of Environmental Consulting Firms, as well as the methodological guide for their application<sup>62</sup>.



## ADMINISTRATIVE REGISTRY OF ENVIRONMENTAL CERTIFICATIONS

**It is intended to give free access and make publicly available the information of the Environmental Impact Studies and other instruments.**

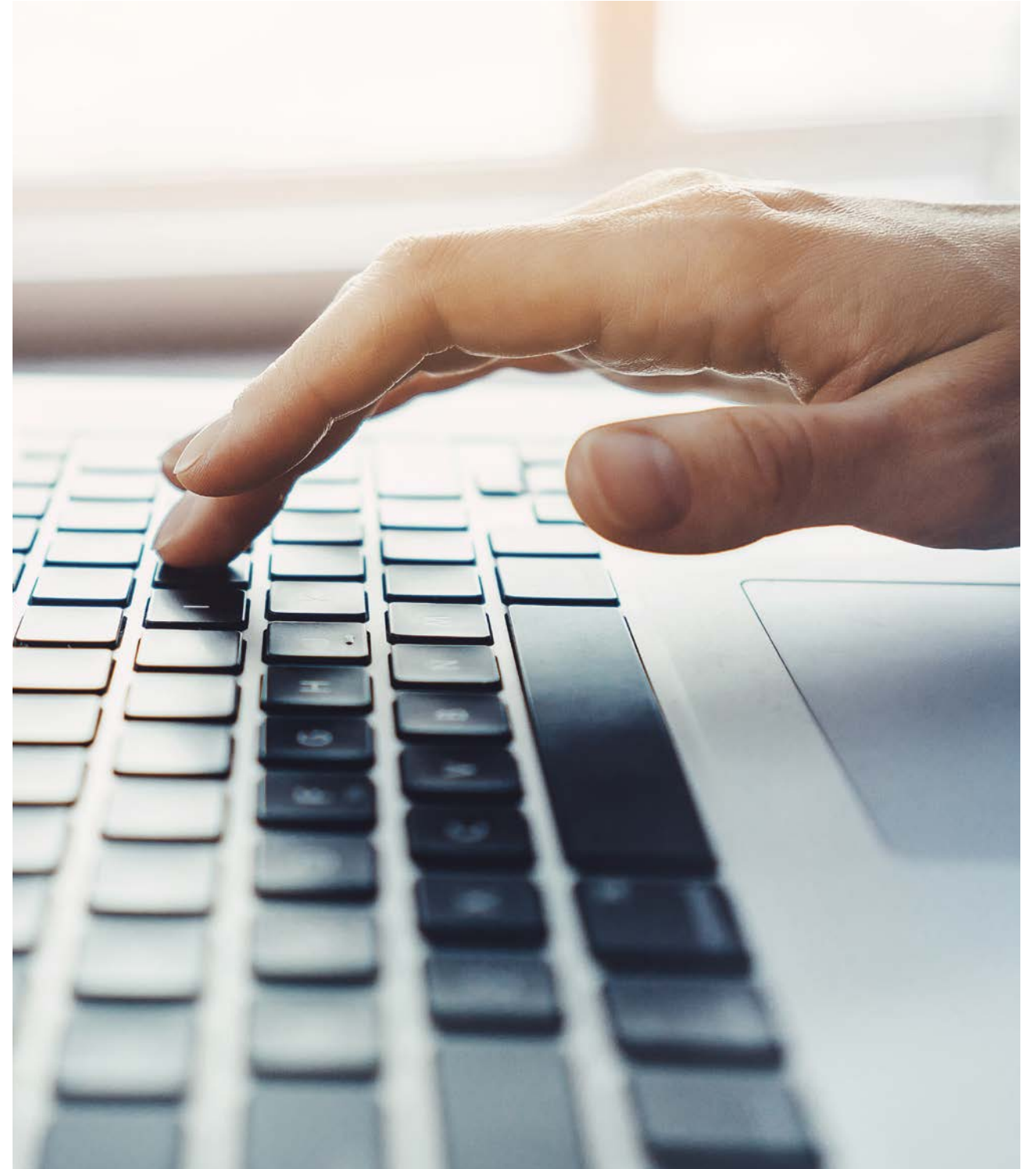
**T**he SEIA Act created a public record of the applications for environmental certification filed and their classification, the issued terms of reference, the review procedures of environmental impact studies in progress, the formal participation mechanisms, the resolutions adopted, and of the environmental certificates issued<sup>63</sup>.

Subsequently, Act No. 29968, Act of Creation of Senace, set out as one of its functions the management of the Administrative Registry of Environmental Certifications<sup>64</sup>.

It is important to point out that this administrative registry is a mechanism to disseminate the administrative acts issued as a result of the EIS review and approval procedure under

Senace's responsibility. The Administrative Registry of Environmental Certifications is published in the web portal of Senace, through modules that facilitate the access and download of the registered environmental studies, whether through direct links or georeferenced search with SIG tools that are easy to use.

Senace also publishes, in a specific chapter of the Administrative Registry of Environmental Certifications, the information of the baselines of the Environmental Certifications that it approves and those sent during the process of transfer of functions from the sectors, to make publicly available and give free access to the information contained therein, to the holder of the project or to third parties, for the preparation of new environmental management instruments. ●





# 06

## CHALLENGES

The Organization for Economic Co-operation and Development (OECD) and the Economic Commission for Latin America and the Caribbean (ECLAC) have recommended Peru to strengthen the Senace. Such recommendation is part of the 66 recommendations made by such organizations in the report containing the Environmental Performance Reviews of Peru to improve the environmental management of the country, which are considered key for an eventual process of inclusion of Peru in the OECD, an international cooperation organization made up of 34 developed countries<sup>65</sup>.

As recommended by the OECD, the strengthening and implementation of Senace will allow the country to have efficient and independent environmental management through a One-Stop Shop system and with a technical reference of the EIS. The OECD claims that it is important to ensure the financial sustainability of Senace, as well as to integrate the technical knowledge, good practices and lessons learned from the public entities that were previously competent to assess the environmental impact of investment projects.

Taking into account the lessons learned from the transfer procedure, and considering the experience acquired by the institution after two years of operation, the following future challenges have been identified:



# CHALLENGES



**1** TO REGAIN CITIZEN TRUST IN THE ENVIRONMENTAL IMPACT ASSESSMENT



**2** TO STREAMLINE THE ENVIRONMENTAL IMPACT ASSESSMENT



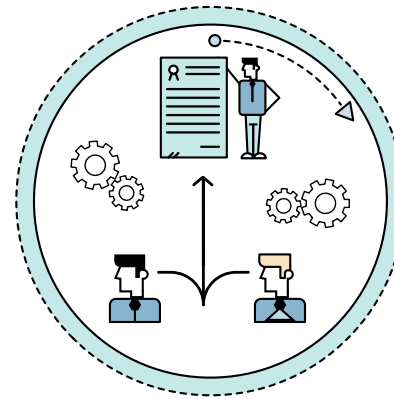
**3** TO FOSTER A CULTURE OF INTEGRITY AND TRANSPARENCY



**4** TO PROMOTE THE ELECTRONIC GOVERNMENT POLICY



**5** TO ENCOURAGE CONTINUOUS TRAINING AND CAPACITY STRENGTHENING



**6** TO ACHIEVE GREATER REGIONAL PRESENCE

## 1. TO REGAIN CITIZEN TRUST IN THE ENVIRONMENTAL IMPACT ASSESSMENT

The most important task that Senace faces in the short term is, without a doubt, regaining citizen trust in the environmental assessment of large-scale projects. Various social conflicts are explained, in part, by the population's lack of information and suspicion regarding the EIS.

Upon completion of the transition from the sector-oriented model to the model focused on environmental management, Senace is now responsible for demonstrating the advantages of having an autonomous entity in charge of assessing environmental studies. For that purpose, the efforts to achieve active and informed participation of citizens in the EIS review procedure are essential.

Building trust is a constant and permanent process that requires the efforts of all stakeholders. Contributing to building trust implies engagement of the stakeholders based on the principles of accessibility, inclusion and transparency<sup>66</sup>.

Thus, Senace's challenge is to ensure that all social actors have access to the information necessary to exercise effectively their right to citizen participation. The information must be provided in a culturally appropriate manner, taking into account the mother tongue, linguistic usage, forms of expression

and the most appropriate media based on the social and cultural context of the population involved. Furthermore, it is important to include the gender and intercultural approaches in the citizen participation process, and consider what mechanisms are the most appropriate to ensure that any vulnerable population that is present in the area of influence, or that makes use of the area, is involved in the process. For that purpose, Senace will facilitate dialogue with rural and native communities and the indigenous peoples during the environmental assessment procedure, through respect for their culture and worldview. In that regard, Senace will review the effectiveness of the citizen participation mechanisms based on the characteristics of the communities, the social environment and the nature of the project, considering such aspects as the language, local customs and the internal local organization. In addition, it will be coordinated with the organizations representing indigenous peoples, as well as with the Ministry of Culture, in order to better guide their involvement within the framework of the Roadmap with Indigenous Peoples of Senace.

With the recent approval of the "Guidelines to Promote Women Participation in the Environmental Certification Process", Senace has an instrument that promotes internalization and consideration of the gender perspective in citizen participation mechanisms. Thus, when evaluating the Citizen Participa-



tion Plan, Senace will verify, for example, that mechanisms including group meetings and/or interviews with women from the area of influence have been contemplated. Senace promotes this initiative in order to achieve true participation of women in the environmental certification processes.

Furthermore, during the development of citizen participation, Senace will ensure that social actors have constant and continuous access to the information related to the proposed investment project, making sure that it is conveyed to the population on a transparent basis, avoiding the exclusion of social actors, and including the progress and any possible change in the actions that the project is taking or planning to take.

As can be seen, it is necessary to modernize the citizen participation process to redirect it towards its true objective: create space for open dialogue in good faith in order to address the main concerns of all the population and stakeholders and clear up the doubts existing about the environmental and social impacts of a project. This objective will allow ensuring sustainability of the investment.

This implies:

- Early presence during the preparation of the EIS;
- Application of social engagement tools;
- Coordination with the three government levels;
- The effective application of the principles of accessibility, inclusion and transparency.

SENACE



## 2. TO OPTIMIZE THE ENVIRONMENTAL ASSESSMENT PROCESS

A first set of internal measures intended for optimizing the environmental assessment process has been proposed, which has been designed based on situational diagnoses of the EIS review and approval process.

Thus, several measures are proposed, such as the use of a matrix to consolidate comments, the existence of technical "case law", the use of manuals to guide the internal procedures, and the creation of work groups to carry out reviews and engage with different groups of stakeholders.

Moreover, the EIS Executive Summary Orientation Guide has been prepared to make executive summaries more accessible. This guide promotes that documents explaining an investment project and its impacts foster the informed and responsible participation of citizens, as well as promoting the use of executive summaries in audiovisual versions specially when the language of the target population makes it difficult to make a written translation from Spanish into the native language. Senace is oriented towards a simpler, more straightforward EIS that is easy to understand, but which remains technically robust and consistent at the same time. Furthermore, it has been verified that the

large extension of EIS does not guarantee their quality; therefore, Senace continuously evaluates how to streamline the contents of the EIS to what is strictly material and relevant for their application to the specific project.

### Towards the optimization of the Environmental Impact Study

Senace initiated a process to propose improvements to the EIS under its responsibility, with the technical assistance of the Canadian cooperation through the MEGAM project (Improvement of the Environmental Management of the Mining and Energy activities in Peru).

An Encyclopedic EIS is called an EIS that is "unnecessarily extensive and descriptive, limited analytical content and generic approach, not focused on the analysis of socio-environmental components that could be significantly impacted by the project."

Senace seeks to ensure that the EIS that it evaluates has greater technical consistency, prioritizes relevant information and gives greater emphasis and technical development to the analysis of impacts.

## 3. INTEGRITY AND TRANSPARENCY

For the appropriate assessment of the EIS and the management of the records of environmental consulting firms and of environmental certifications, it is essential that Senace adopt a series of ethical controls that ensure the integrity and impartiality in the environmental assessment. In order to

promote a culture of integrity, transparency and ethics within the organization, the following are some measures that have been implemented:

- Code of Ethics;
- Integrity Channel;
- Field Work Protocol;
- Protocol of Technical Meetings;
- Portal of Open Data
- Declarations of interests

Furthermore, Senace renews its commitment with the prevention, detection and appropriate management of criminal conducts of bribery when commencing the implementation of ISO 37001 – Ant-bribery Management System, which will allow Senace to identify and manage the risks of corruption in its tasks, implementing controls, developing specific training plans, and conducting internal audits for the continuous improvement of the institution. The implementation of this system is an important milestone for the environmental sector and it will provide more trust in the transparency of our main processes.

## 4. ELECTRONIC GOVERNMENT

Within the framework of the National Electronic Government Policy, Senace seeks to bring the State services closer to the citizens through the use of information technologies. Specifically, Senace aims at having a fully online environmental certification procedure that allows not only that companies from various sectors may submit the EIS digitally, but also enables the timely and inclusive access of the population to the environmental study.



In that regard, Senace is implementing projects that will boost information sharing with the other public institutions involved in the assessment process through the interoperability of the information technology systems and digital services. Therefore, the implementation of the One-Stop Shop is a priority, among other automation measures that may be adopted in the short term.

The electronic government will help to reduce the times to process applications; it will allow the exchange of information in a safe and timely manner; and it will improve the competitiveness and transparency of Senace.

Considering that the Environmental Certification One-Stop Shop is the operational vehicle to apply for a Global Environmental Certification, making Senace the single point of contact of the project proponent with the various State entities, it is necessary to continue with the development of digital platforms that ensure the interoperability and optimization of the procedure and the information management.

## 5. CONTINUOUS TRAINING AND CAPACITY STRENGTHENING

Senace's professionals must be trained in aspects that reinforce their actions as evaluators

and representatives of the State in the EIS assessment process presented by the investment project proponent.

The specialized technical training activities constitute a permanent capacity building process for the professional personnel responsible for the environmental certification process of Senace; therefore, it is necessary to continue promoting and managing the development of specialized technical capacities, within the framework of the new technologies and the progressive transfer of functions.

In turn, the preparation of tools, protocols and manuals follows, which guide the evaluator's work so that the assessment criteria are not lost but there is continuity should there be a change in the team.

## 6. GREATER REGIONAL PRESENCE

Through the Social Advance, baseline supervision, and initiatives such as Regional Route and the Regional Articulation, Senace has managed to visit almost the entire country spreading the messages of the entity in workshops, courses and informative meetings addressed to local and regional authorities, and citizens. All these initiatives seek to promote the knowledge about the environmental assessment processes and the citizen participation mechanisms promoted by Senace.

- 34 Early Engagement Visits
- 36 Baseline supervisions
- 12 Regional Routes
- 170 public participation workshops and audiences

\* As of January 2018

## SENACE IS A CHALLENGE AND AN OPPORTUNITY

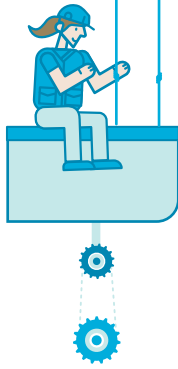
The ongoing strengthening of Senace is a challenge because the environmental management instruments should be rigorously and technically evaluated so that they have broad social legitimacy, but at the same time within more efficient and agile evaluation schemes. The decision to provide autonomy to a specialized institution should be seen in that perspective. Moreover, the internal organization of Senace, its initiatives of transparency and dialogue, as well as the continuous improvement efforts in regulatory, procedural and technical matters, make it possible to get close to meeting this challenge. A work group of the United Nations Organization notes this progress and points out the need to continue down this path of institutional strengthening.

However, Senace cannot achieve these objectives on its own. It needs the informed participation of the civil society and the indigenous peoples, entrepreneurs and environmental consulting firms aware that a well-prepared EIS

ensures environmentally and socially sustainable projects, and a State at its three government levels committed to close coordination. Therefore, the main commitment of Senace is to work together with all stakeholders and social actors to make environmental impact assessments genuinely useful and sustainable instruments.

This is the opportunity that the country now has in its hands. •





## NOTES OF THE DOCUMENT

<sup>1</sup> R1 RAU, J.G. Y D.C. WOOTEN, Environmental impact analysis handbook, EUA, McGraw Hill, 1980.

<sup>2</sup> In 1993, the environmental protection regulations are developed in the subsectors of Oil & gas (Supreme Decree No. 046-93-EM) and Mining (Supreme Decree No. 016-93-EM) and in 1994, by Supreme Decree No. 029-94-EM, the Regulations on Environmental Protection in Electrical Activities are approved.

<sup>3</sup> Established by Act 27446, Act of the National Environmental Impact Assessment System.

<sup>4</sup> Regulations on the Act of the National Environmental Impact Assessment System, approved by Supreme Decree No. 019- 2009- MINAM.

<sup>5</sup> By Act 29968, Act that creates the National Service of Environmental Certification for Sustainable Investments - SENACE.

<sup>6</sup> Supreme Decree No. 006-2015-MINAM, the Schedule of Transfer of Functions from the Sectoral Authorities to Senace is approved within the framework of Act No. 29968.

<sup>7</sup> Act No. 30327, Act on Investment Promotion for Economic Growth and Sustainable Development.

<sup>8</sup> Senace received the prize for Good Practices in Public Management from the organization Ciudadanos al Día (CAD) for the implementation of IntegrAmbiente ( "IntegrAmbiente, hacia una Certificación Ambiental Global"), in the Public Cooperation category, in August 2017.

<sup>9</sup> World Bank. 2007. Executive Summary: Peru Environmental Analysis: Challenges for sustainable development. Lima: World Bank, p. 11. [http://siteresources.worldbank.org/INTPERU/SPANISH/Resources/Resumen\\_Ejecutivo\\_FINAL\\_publicado\\_corregido\\_Junio\\_11.pdf](http://siteresources.worldbank.org/INTPERU/SPANISH/Resources/Resumen_Ejecutivo_FINAL_publicado_corregido_Junio_11.pdf)

<sup>10</sup> According to the study "How to address environmental permitting" (AFIN, 2015), which includes the time that it takes, on average, to assess an EIS and obtain the subsequent environmental permits. The deadlines to prepare the baseline are not considered.

<sup>11</sup> Palomino, Miguel et al. 2015. "El costo económico de la no ejecución de los proyectos mineros por conflictos sociales y/o trabas burocráticas" (The economic cost of the non-execution of mining projects due to social conflicts and/or bureaucratic hurdles). IPE: Lima. At: <http://www.ipe.org.pe/documentos/el-costo-economico-de-lano-ejecucion-de-los-proyectos-mineros-porconflictossociales-yo>

<sup>12</sup> Pursuant to the Report on Social Conflicts, No. 100, June 2012, Ombudsman's Office of Peru.

<sup>13</sup> Valdéz Muñoz, Walter. 2013. "Marco institucional para la gestión ambiental en el Perú" (Institutional framework for environmental management in Peru). At: Derecho PUCP, No. 70, p. 51 and p. 56. <http://revistas.pucp.edu.pe/index.php/derechopucp/article/view/6743/6860>

<sup>14</sup> SPDA (Peruvian Society of Environmental Law), Research Book No. 9 Proposals to Strengthen the National Environmental Impact Assessment System in Peru, 2012, page 44.

<sup>15</sup> Supreme Resolution No. 189- 2012-PCM.

<sup>16</sup> MINAM. 2012. Strategic Approaches of Environmental Management, approved by Supreme Resolution No. 189-2012/PCM. At: <http://www.minam.gob.pe/wp-content/uploads/2013/06/EJES-ESTRATEGICOS-DE-LA-GESTIONAMBIENTAL.pdf>

<sup>17</sup> The bill to create Senace was unanimously approved at the end of November and enacted on December 19, 2012 by Act No. 29968.

<sup>18</sup> BUZZI, Elisa - CooperAcción, "El Servicio Nacional de

Certificación Ambiental para las Inversiones Sostenibles (SENACE) Balance y Perspectivas" (The National Service of Environmental Certification for Sustainable Investments (SENACE), Review and Prospects, Lima 2015, page 7.

<sup>19</sup> SPDA, Base document "Implementation of Senace: food for thought", Lima 2014, page 4.

<sup>20</sup> The Economic Commission for Latin America and the Caribbean (ECLAC) and the Organization for Economic Co-Operation and Development (OECD), Environmental Performance Review of Peru, Santiago 2016, page 36.

<sup>21</sup> Declaration of the United Nations Working Group on Business and Human Rights at the end of its visit to Peru. July 19, 2017

<sup>22</sup> By Act No. 27658, State Management Modernization Framework Act, the Peruvian State is declared to be under Modernization Process, setting out the principles, actions, mechanisms and tools to carry it out. In that respect, the new public management will need to be oriented towards citizen service, the human person and the achievement of results.

<sup>23</sup> Organic Act of the Executive Branch, Act No. 29158, Article 33.

<sup>24</sup> The general functions of Senace are set out in Act No. 29968, Act that creates Senace, its Regulations of Organization and Functions, approved by Supreme Decree No. 003-2015-MINAM, and Act No. 30327, Act on Investment Promotion for Economic Growth and Sustainable Development.

<sup>25</sup> By Steering Committee Resolution No. 001-2017-SENACE/CD issued on February 16, 2017

<sup>26</sup> Administrative Resolution No. 026-2018-SENACE/JEF

<sup>27</sup> The Guidelines of Senace's Institutional Policy were approved at the Twelfth Meeting of the Steering

Committee held on January 29, 2016.

<sup>28</sup> By Supreme Decree No. 003-2013-MINAM published on April 25, 2013, the schedule and deadlines for the process to implement Senace are approved.

<sup>29</sup> Administrative Resolution No. 026-2018-SENACE/JEF.

<sup>30</sup> Administrative Resolution No. 058-2016-SENACE/J.

<sup>31</sup> Administrative Resolution No. 055-2016-SENACE/J.

<sup>32</sup> Administrative Resolution No. 047-2016-SENACE/J.

<sup>33</sup> Administrative Resolution No. 112-2015-SENACE/J.

<sup>34</sup> Administrative Resolution No. 110-2016-SENACE/J.

<sup>35</sup> Administrative Resolution No. 027-2017-SENACE/J.

<sup>36</sup> Administrative Resolution No. 071-2017-SENACE/JEF.

<sup>37</sup> Administrative Resolution No. 030-2016-SENACE/J.

<sup>38</sup> Administrative Resolution No. 062-2017-SENACE/J.

<sup>39</sup> Administrative Resolution No. 054-2016-SENACE/J.

<sup>40</sup> Administrative Resolution No. 033-2016- SENACE/J.

<sup>41</sup> Directorial Resolution No. 139-2017-SENACE/DCA.

<sup>42</sup> Administrative Resolution No. 038-2017-SENACE/J.

<sup>43</sup> Senace. 2016. Roadmap with Indigenous Peoples. Action Plan 2016-2017. En: <http://www.senace.gob.pe/download/senacedocs/HojadeRuta.pdf>

<sup>44</sup> Administrative Resolution No. 046-2016- SENACE/J.

<sup>45</sup> Administrative Resolution No. 010-2016-SENACE/J.

<sup>46</sup> Administrative Resolution No. 031-2017-SENACE/J.

<sup>47</sup> The Nature Conservancy – TNC, Peruvian Society of Environmental Law – SPDA, Contribution Program to environmental goals in Peru – PROAMBIENTE/GIZ, Fundación Ciudad de Papel.

<sup>48</sup> As stated in the Second Transitory Supplementary Provision of Act No. 30327, Senace will progressively take over the function of approving EIS-sd, and it may apply the Global Environmental Certification to such instruments, after a period of at least two (2) years following completion of the transfer of the function of approving EIS from the appropriate sector to Senace.

<sup>49</sup> The applications for classification and approval of the terms of reference that are pending approval as of the date of commencement of exercise of the transferred functions will continue being filed with the appropriate sector.

<sup>50</sup> For the mining, oil & gas and electricity sectors, the following regulations apply: Mining: Regulations on Environmental Protection and Management for Exploitation, Beneficiation, General Labor, Transport and Mining Storage activities – Supreme Decree No. 040-2014-EM. Oil & gas: Regulations on Citizen Participation to carry out Oil & gas-related Activities – Supreme Decree No. 012-2008-EM. Electricity: Guidelines for Citizen Participation in Electrical Activities are approved – Ministerial Resolution No. 223-2010-MEM/DM.

<sup>51</sup> Pursuant to Paragraph (v) of the First Final Supplementary Provision of Act No. 29968, upon completion of the transfer of functions from the appropriate sector to Senace, Senace takes over the review of terms of reference of EIS and the supervision of the preparation of the Baseline for EIS, on a comprehensive and permanent basis, with respect to such sector.

<sup>52</sup> Supreme Decree No. 019-2009-MINAM, Article 14.

<sup>53</sup> The applications for modification of the EIS and of the ITS of the EIS which are pending approval –as of the date of commencement of the exercise of the transferred functions will continue being filed with the appropriate sector.

<sup>54</sup> Article 30 of Supreme Decree No. 019-2009-MINAM.

<sup>55</sup> Law No. 30327, published in the Official Gazette El Peruano, May 21, 2015.

<sup>56</sup> Article 10 of the Code of the Environment and Natural Resources, approved by Legislative Decree No. 610.

<sup>57</sup> Article 51 of Legislative Decree No. 757, Framework Act on Growth for Private Investment.

<sup>58</sup> Paragraph c) of Article 17 of Act No. 27446, SEIA Act.

<sup>59</sup> Directive to strengthen the sector environmental management performance, approved by Ministerial Resolution No. 018-2012-MINAM.

<sup>60</sup> Consulting firms must meet the requirements contained in the Regulations of the National Registry of Environmental Consulting Firms (approved by Supreme Decree No. 011-2013-MINAM and modified by Supreme Decree No. 005-2015-MINAM), and in Administrative Resolution No. 090-2015-SENACE/J, which establishes the conformation of the minimum multidisciplinary teams of professionals for the preparation of environmental studies of the Energy and Mining subsectors, and the other rules in force on this subject matter pertaining to the subsectors the functions of which have not been transferred to Senace yet.

<sup>61</sup> Administrative Resolution No. 030-2016-SENACE/J.

<sup>62</sup> By Administrative Resolution No. 060-2017-Senace/J.

<sup>63</sup> Paragraph c) of Article 17 of Act No. 27446, SEIA Act.

<sup>64</sup> “Article 3. General functions. The general functions of the National Service of Environmental Certification for Sustainable Investments (SENACE) are: [...] b) To administer the National Registry of Environmental Consulting Firms and the public and updated Administrative Registry of the environmental certifications, of national or multiregional scope, granted or denied by the competent agencies, without prejudice to the competencies on enforcement and sanction matters that pertain to the Agency for Environmental Assessment and Enforcement (OEFA). [...]”. (The underlining has been added.)

<sup>65</sup> [http://repositorio.cepal.org/bitstream/handle/11362/40171/S1600313\\_es.pdf?sequence=1](http://repositorio.cepal.org/bitstream/handle/11362/40171/S1600313_es.pdf?sequence=1)

<sup>66</sup> Paragraph c) of Article 5 of Act No. 29968.





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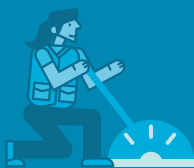
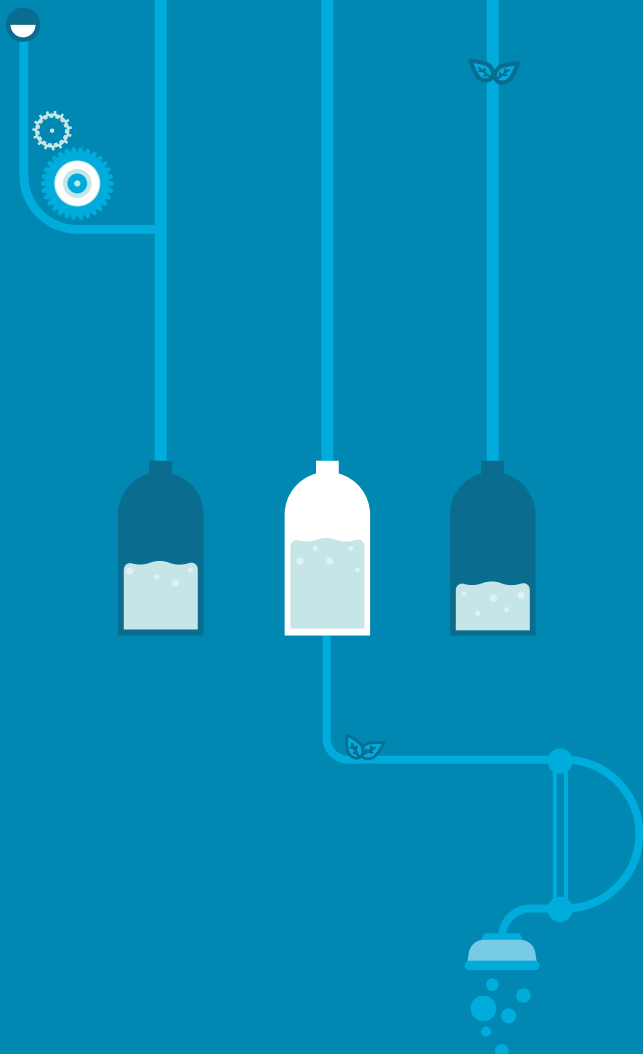
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