

Validation of Peru

Assessment of progress in implementing the 2019 EITI Standard

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Acronyms

AMSAC	Activos Mineros
ANA	National Water Authority
APCI	Peruvian Agency for International Cooperation
ASM	Artisanal and small-scale mining
EIA	Environmental impact study
FATF	Financial Action Task Force
FONAFE	National Fund for Financing State Business Activities
GEOCATMIN	Mining cadastre map
INGEMMET	Institute for Geology, Mining and Metallurgy
IOC	International oil company
LOTAIP	Law on Transparency and Access to Public Information
MEF	Ministry of Economy and Finance
MINAM	Ministry of Environment
MINEM	Ministry of Energy and Mines
MSG	Multi-stakeholder group
OEFA	Agency for Environmental Assessment and Enforcement
OGGS	General Office for Social Management
OSINERGMIN	Supervisory Agency for Investment in Energy and Mining
PEP	Politically exposed person
PROINVERSION	Peruvian Agency for Private Investment
RUC	Unique Register of Contributors
SIDEMCAT	System for mining rights and cadastre
SNMPE	National Society for Mining, Petroleum and Energy
SOE	State-owned enterprise
SUNARP	National Superintendence of Public Registries
SUNAT	National Superintendency of Customs and Tax Administration
ToR	Terms of Reference
USAID	United States Agency for International Development

Executive summary

This Validation report presents the findings of the International Secretariat's Validation of Peru, which commenced on 1 October 2024. The draft report was finalised for review by the multi-stakeholder group (MSG) on 24 April 2025. Following comments from the MSG expected on 22 May 2025, the Validation report will be finalised for consideration by the EITI Board. The assessment suggests that Peru has exceeded four requirements, fully met 9 requirements, mostly met 16 requirements and partly met two requirements, with three requirements assessed as not applicable.

This Validation report assesses progress in implementation of the EITI Standard from two separate benchmarks: the June 2019 [Board decision](#) on Peru's Validation under the 2016 EITI Standard and the June 2022 [Board decision](#) on Peru's targeted assessment under the 2019 EITI Standard. The June 2019 Validation decision is used as the benchmark for the majority of this Validation report with the June 2022 targeted assessment decision used as the benchmark for Requirements 1.1, 1.2, 1.3, 1.4 and 1.5 only.

Key achievements

- The Government of Peru has stepped up its engagement in the EITI process since the previous assessment was concluded in 2022. Senior government officials reaffirmed Peru's commitment to the EITI process and have ensured that disclosure of contracts and licenses, as required under the 2019 EITI Standard, is publicly documented through EITI Reports and systematic disclosures. The central government largely bears the cost of maintaining a national secretariat and subnational secretariats. For the most part, these secretariats hold sufficient technical expertise to support implementation, with other regions ramping up capacity. Government, industry and civil society participate in information dissemination campaigns as a group and independently to inform the broader community about EITI activities. Outreach takes the form of in-person events, social media campaigns, press releases and radio and television programming. The National Secretariat recognises the need for accessibility to a wide range of stakeholders, with some instances of EITI outreach being performed in the Quechua language.
- Peru was one of the first countries to implement the EITI on the subnational level. Since the previous Validation, Peru has expanded subnational implementation from five to eight extractive regions that receive subnational transfers stemming from mining and oil and gas activities. Seven of these regions have published subnational EITI reports, with one newer region yet to publish its first subnational EITI report. Since the previous Validation, two out of three newly implementing regions have published subnational reports. More established subnational MSG's continue publishing annual and multi-annual EITI Reports. Central government support has been steady for established subnational MSGs and for regions seeking to begin the EITI process. The subnational EITI reports offer detailed information on how subnational transfers are distributed to municipalities and local entities, highlighting the significance of subnational funds in public investment in key areas such as infrastructure, education, health, and transport. Some regional stakeholders remarked that subnational implementation had a significant impact on citizens' understanding of how mining and oil and gas projects translate in benefits for their communities. Peru has been a leading example of highlighting the

importance of subnational implementation for improving coordination and information flow between national, regional, and local governments. This can foster greater trust between the government and communities.

- Peru's system for environmental monitoring and management is quite developed, with a state-owned enterprise, AMSAC, that collects contractually obligated environmental payments from some of the largest mining companies. Civil society groups conduct independent studies on the environmental effects of extractive activities with information disclosed on government websites and through EITI reporting. This allows both government and citizens to understand how well companies are fulfilling their environmental obligations based in contracts and in the Mining Law.
- Peru's existing policies and practices on contract and license disclosure largely satisfy the more stringent requirements set out by the 2019 EITI Standard, which bodes well for the transition to the 2023 EITI Standard. With a vibrant artisanal and small-scale mining sector that complements developed large-scale activities in both mining and oil and gas, there is a great opportunity for Peru's MSG to use existing systematic disclosures to assess potential non-trivial deviations from statutory procedure. Considering the thousands of licenses and contracts awarded, amended and transferred in a given year, EITI reporting could be used to examine those of national and regional importance.

Areas for development

- After strides in 2019 to agree on definitions for beneficial owners and politically exposed persons and to implement regulations for the collection of this information, progress on beneficial ownership has stagnated. Peru does not publicly disclose this information, nor does it possess strong information-sharing mechanisms within government institutions to ensure data reliability and comprehensiveness. During the Validation period, EITI reporting was not used to collect beneficial ownership information from material companies and MSG discussions to overcome barriers to public disclosure are not well documented. With the introduction of more stringent anti-corruption criteria in the 2023 EITI Standard, beneficial ownership transparency should be a key issue for discussion in MSG meetings.
- The broader civic space in Peru remains challenging for environmental and human rights defenders who voice opposition to extractive activities, particularly at the local level. National and subnational MSGs have served as safe spaces for stakeholders from all constituencies to express their opinions which was of particular importance to civil society actors substantially engaged in the EITI. Much of the violence and repression perpetrated against civil society actors has come from non-government sources, but recent developments point to potential government constraints on this constituency. Amendments to rules on oversight of foreign funding for civil society organisations have had early impacts on the freedom of expression and operation. The recently enacted Law No. 32301 and forthcoming implementing regulation calls for increased monitoring of civic space in Peru. The extensive networks that civil society organisations participating in the EITI process maintain with community-based organisations are key to ensuring sustained engagement at all levels. These networks also serve as alert mechanisms on

new civic constraints at the subnational level that could be examined at regional and national MSGs meetings.

- Peru's government recognises the destabilising force that informal and illegal mining in the country play. The [National Multisectoral Policy for Small-scale and Artisanal Mining 2030](#) encompasses the government's plan to increase formalisation in this sector to mitigate environmental damage and social harm caused to surrounding communities by these activities. Interlinked areas such as beneficial ownership transparency and revenue management are also negatively impacted by illegal and informal mining, with an estimated 40% of gold production produced illegally. Future EITI Reports could target certain aspects central to illegal mining's continued existence, such as opaque beneficial owners or production and export imbalances. EITI reporting could further be used to assess the government's implementation of the 2030 Policy for small-scale and artisanal mining.

Progress in implementation

EITI Validation assesses countries against three components – “Stakeholder engagement”, “Transparency” and “Outcomes and impact”.

Stakeholder engagement

Considering Peru's subnational implementation of the EITI Standard, stakeholder engagement in the country spans from the grassroots level to discussions held in Congress in Lima. The expansion of subnational EITI implementation to a total of eight extractive-rich regions of the country widens the range of voices and perspectives on natural resource management. Peru's varied natural and social landscape brings different opportunities and challenges specific to each region. Steady government funding for EITI implementation has allowed for the development of these subnational bodies and has facilitated spirited debate on natural resource governance issues, as witnessed during the International Secretariat's visit to Moquegua. Subnational multi-stakeholder groups are overseen by the national secretariat's technical team, which is devoted to overseeing EITI operations throughout the country.

While MSG meeting minutes show that the technical team represents the government constituency, industry and civil society, stakeholders lamented the lack of steady engagement of senior government officials in recent years. During the Validation team's mission, stakeholders from all constituencies expressed that the MSG was a space where they could highlight positive and negative aspects of extractive activity and propose reforms. However, they also noted that irregular engagement from Vice Ministers appointed as EITI Champions in Peru left the MSG without those most able to shape government decisions on extractive matters. Indeed, the lack of senior government engagement in EITI implementation was noted as a key gap in the previous targeted assessment. During the mission by the Validation team in the drafting of this Validation report, senior government officials were present and engaged. The International Secretariat views this as a sign of positive progress, along with renewed public statements of support, by senior government officials. Re-engagement of senior government officials, and expansion of the government constituency to include important entities such as the National Superintendency of Customs and Tax Administration (SUNAT) and the Ministry of Environment (MINAM), are key priorities for the government constituency.

The industry constituency displays solid representation from the mining and oil and gas sectors and is led by a business association representing the interests of both sectors. Relevant oil and gas state-owned enterprises in Petroperu and Perupetro are active members of the industry constituency and can serve as a bridge to government counterparts. In mining, the mixture of large-scale actors with artisanal, informal and illegal mining at smaller scales presents a complicated landscape. Multinational mining companies are actively engaged in the EITI and the inclusion of subnational governments provides key insights into the subnationally-managed artisanal and small-scale mining sector. At the same time, mining stakeholders acknowledge the looming threat presented by the informal and illegal mining sector in the form of corruption, illegal armed groups and revenue leakages in the production and sale of minerals.

Community based organisations occupy a central role in extractive governance in Peru due to their ancestral and modern-day ties to the land, use of former, prior, informed consent mechanisms, and involvement in social and environmental defence initiatives throughout the country. Violence perpetrated against these individuals by non-state actors such as criminal gangs and those involved in illegal mining and logging operations, is documented and ongoing. Recent legislative restrictions on CSO financing by government has raised red flags on the sustainability of funding for many groups and could point toward a tightening of the civic space in the country, with early impacts visible on civil society organisations engaged on the EITI process and active on natural resource governance issues. Government funding sustains much of the day-to-day operations of national secretariats, but CSOs engaged on extractive issues often receive funding for specific projects from international donors. Stakeholders have noted that this recent amendment could make receiving these funds much more onerous or dissuade donors from supporting activities. While CSOs in Peru have so far been able to participate in EITI implementation and natural resource governance debates, the further impacts of this law require active monitoring to ensure that it does not further impede on the enabling environment for civil society.

Transparency

Extractive industries in Peru contribute substantially to the economy and government finances, with highly developed mining and oil and gas sectors. Government websites systematically disclose substantial data on revenue flows as well as non-revenue data such as the environmental impact of these activities and government mitigation efforts. While instituted before the period under review began in 2019, Peru's efforts to continue upholding high standards of contract transparency as well as detailed information on subnational transfers, is commendable. While some social and environmental standards are embodied in laws such as the Hydrocarbon and Mining Laws, many company-level commitments to mandatory social and environmental expenditures are contained within contracts. Contract transparency enables civil society groups and private citizens to understand the terms of companies' financial commitments as well as those to affected communities.

With eight subnational regions implementing the EITI, Peru's level of disaggregation and oversight on subnational transfers is among the most robust across countries implementing the EITI Standard. The Validation team's visit to Moquegua's multi-stakeholder group allowed the team to witness MSG debate and oversight of extractive-funded social projects firsthand. Subnational implementation of the EITI has gone beyond what is required from the 2019 EITI Standard to examine the beneficiaries of subnational transfers and how these funds are used. Substantial subnational transfers in Peru redistribute extractive-generate revenues to communities where these activities occur. These transfers have resulted in infrastructure and

social development projects that make a tangible difference in the lives of people who live in these communities.

Contracts with large-scale mining companies are managed by the Ministry of Energy and Mines and the Ministry of Environment. Artisanal and small-scale mining (ASM) contracts are managed at the subnational level by regional governments. Peru's regional governments possess varying levels of technical and financial capacity and the coverage of ASM mining varies depending on region. In addition to ASM, informal and illegal mining are prevalent and are often tied to organised crime. A lack of control and regulation of informal and illegal activities presents a multitude of challenges, such as environmental degradation, revenue leakages and threats, assaults and killings against social and environmental defenders. The government has a plan to reform the ASM sector by 2030, and there are certainly positive signs for the future of this sector, but it will also require vigilance to ensure that Peru maintains momentum around reform efforts.

Outcomes and impact

At its core, the EITI's mission is to enable citizens to be able to understand the flow of extractive revenues from production to government and then for redistribution for the benefit of Peruvian citizens. The combination of Peru's subnational transfer system with high levels of transparency and citizen oversight largely accomplishes this mission. Public debate and information dissemination within the national and subnational MSGs is both free and structured. Stakeholders have the freedom to express their opinions and take part in raising awareness of the EITI, including data visualisation activities to present data in easily understood ways. Outreach and dissemination activities occur in-person and virtually, with stakeholders working together and independently to produce materials using EITI data.

EITI implementation remains an iterative and expansive process at both the national and subnational level. A strong technical team at the national secretariat ensures that continued operations of the national MSG and thorough documentation in the form of a work plan and annual progress reports provide clear and actionable recommendations for improvement. Recent changes in international funding agreements may cause challenges in the fulfilment of some recommendations, but a clear mapping of costs of projects in Peru EITI's work plan provides a solid reference for the MSG when prioritising which recommendations should receive funding.

Validation scorecard

Component & module		EITI Requirement	Progress	Score
Overall score			Moderate	74.5/100
Outcomes and impact	Extra points: Effectiveness and sustainability indicators			3
	Work plan (#1.5)	Mostly met	60	↓
	Public debate (#7.1)	Exceeded	100	↑
	Data accessibility and open data (#7.2)	Mostly met	60	-
	Recommendations from EITI (#7.3)	Fully met	90	=
	Outcomes & impact (#7.4)	Mostly met	60	↓
Outcomes and impact			Moderate	77/100
Multi-stakeholder oversight	Government engagement (#1.1)	Mostly met	60	↑
	Industry engagement (#1.2)	Fully met	90	=
	Civil society engagement (#1.3)	Mostly met	60	↓
	MSG governance (#1.4)	Fully met	90	↑
Stakeholder engagement			Moderate	75/100
Overview of the extractive industries	Exploration data (#3.1)	Exceeded	100	↑
	Economic contribution (#6.3)	Mostly met	60	↓
Legal and fiscal framework	Legal framework (#2.1)	Exceeded	100	↑
	Contracts (#2.4)	Fully met	90	=
	Environmental impact (#6.4)	Fully met	90	-
Licenses	Contract and license allocations (#2.2)	Mostly met	60	↓
	License register (#2.3)	Mostly met	60	↓
Ownership	Beneficial ownership (#2.5)	Partly met	30	-
State participation	State participation (#2.6)	Mostly met	60	↓
	In-kind revenues (#4.2)	Partly met	30	-
	SOE transactions (#4.5)	Mostly met	60	↓
	SOE quasi-fiscal expenditures (#6.2)	Not applicable	-	-
Production and exports	Production data (#3.2)	Fully met	90	↓
	Export data (#3.3)	Fully met	90	=
	Comprehensiveness (#4.1)	Mostly met	75	↑
Revenue collection	Barter agreements (#4.3)	Not applicable	-	-
	Transportation revenues (#4.4)	Mostly met	60	-
	Disaggregation (#4.7)	Mostly met	60	↓
	Data timeliness (#4.8)	Fully met	90	=
	Data quality (#4.9)	Mostly met	60	↓
	Distribution of revenues (#5.1)	Mostly met	60	↓
Revenue management	Revenue management & expenditures (#5.3)	Fully met	90	-
Subnational contributions	Direct subnational payments (#4.6)	Not applicable	-	-
	Subnational transfers (#5.2)	Exceeded	100	=
	Social and environmental expenditures (#6.1)	Mostly met	60	-
Transparency			Moderate	71.5/100

How EITI Validation scores work

Component and overall score

The three components of EITI Validation – “Transparency”, “Stakeholder engagement” and “Outcomes and impact” – each receive a score out of 100. The overall score represents an average of the component scores.



Assessment of EITI Requirements

Validation assesses the extent to which each EITI Requirement is met, using five categories. The component score is an average of the points awarded for each requirement that falls within the component.



- **Exceeded** (100 points): All aspects of the requirement, including “expected”, “encouraged” and “recommended” aspects, have been implemented and the broader objective of the requirement has been fulfilled through systematic disclosures in government and company systems.
- **Fully met** (90 points): The broader objective of the requirement has been fulfilled, and all required aspects of the requirement have been addressed.
- **Mostly met** (60 points): Significant aspects of the requirement have been implemented, and the broader objective of the requirement is mostly fulfilled.
- **Partly met** (30 points): Significant aspects of the requirement have not been implemented, and the broader objective of the requirement is not fulfilled.
- **Not met** (0 points): All or nearly all aspects of the requirement remain outstanding, and the broader objective of the requirement is far from fulfilled.
- **Not assessed**: Disclosures are encouraged, but not required and thus not considered in the score.
- **Not applicable**: The MSG has demonstrated that the requirement doesn’t apply.

Where the evidence does not clearly suggest a certain assessment, stakeholder views on the issue diverge, or the multi-stakeholder group disagrees with the Secretariat’s assessment, the situation is described in the assessment.

1. Effectiveness and sustainability indicators

The country is awarded 0, 0.5 or 1 point for each of the five indicators. The points are added to the component score on Outcomes and impact.

1.1 National relevance of EITI implementation

This indicator considers the extent to which EITI implementation in Peru addresses nationally relevant extractive sector challenges and risks.

Peru's EITI process has enhanced transparency and accountability in the extractive industries at the national and subnational level through publishing data on revenues and expenditures, strengthening multi-stakeholder dialogue, encouraging good reporting practices in government entities and fostering inclusive public debate around natural resources management. The MSG in Peru has developed a set of procedures and practices to set and revise the objectives and progress of EITI implementation. The MSG produces annual progress reports and, during the period under review in this Validation, produced a 2022–2024 work plan that reflects commitment from all constituencies and the principles of EITI implementation. The objectives of EITI implementation, progress of work plan activities and data disclosures are agreed upon and discussed in regular [meetings](#). These regular discussions have kept constituencies engaged in the EITI process and have allowed the MSG to discuss other areas of natural resource governance to be included in EITI Reports, such as free, prior and informed consultation processes, social investments, environmental liabilities, sanctions imposed on extractive companies and payments made by companies for water use.

The 2022–2024 work plan reflects the MSG's agreement on prioritising subnational EITI implementation in eight regions. At the subnational level, national MSG members have supported EITI subnational MSGs in setting, revising and following up on implementation objectives, data disclosures, public debate activities, communication activities and in building bridges between extractive sector companies and local civil society groups. In alignment with the establishment of EITI subnational implementation as a priority by the MSG, government, industry and civil society constituencies have shown commitment to implementing subnational activities. The General Office for Social Commitments at the Ministry of Energy and Mines has supported subnational MSGs by establishing linkages and providing technical support from regional energy and mines representatives. The national industry chamber has facilitated discussions with companies operating at the subnational level and has advocated for the expansion of the number of EITI reporting companies, while civil society has supported local CSOs in public debate activities aimed at strengthening the monitoring of extractive resources transferred to subnational government entities.

The EITI implementation objectives established by the MSG address relevant extractive sector challenges and priorities at the national level. The Institutional Strategic Plan 2020–2026 of the Ministry of Energy and Mines outlines the [priorities](#) that the government will pursue in addressing the challenges of closing socioeconomic gaps and improving extractive sector governance in the country. In this context, EITI implementation at both national and subnational levels has played a significant role in improving access to information, strengthening systematic disclosures of financial and non-financial information regarding priorities set by key stakeholders and increasing opportunities for citizens to monitor that the resources derived from the extraction of natural resources are invested in a responsible manner. By prioritising EITI implementation at the

subnational level, supporting subnational MSGs and expanding EITI implementation in eight regions, MSG members have contributed to strengthening public debate at the local level and have gone beyond minimum EITI Requirements. Subnational implementation in Peru is an innovative process that has served as a space where local stakeholders have engaged in dialogue about natural resource revenue management, leading to the fulfilment of the EITI Principles. Subnational MSGs have served as spaces for discussion and accountability, with the participation of indigenous organisations, peasant organisations, professional associations, universities, and local and regional governments to debate how extractive sector resources are being spent, particularly in regions with mining, oil and gas production. MSG members have supported subnational MSGs to produce 29 regional EITI reports to date, providing extensive details on how royalties are transferred to each region and how local authorities allocate these resources. These reports are innovative publications disclosing resource allocation data, including execution levels disaggregated by reporting entity. With the support of USAID, the MSG has facilitated the implementation of innovative public debate activities in the regions with subnational EITI implementation, including public forums and public oversight activities.

During the consultation period, local MSG members stated that EITI introduced public conversations about transparency in regions that had historically lacked such debates, enabling communities to track revenues and better understand how they are invested. By strengthening the link between subnational MSGs and national priorities, the MSG has clearly leveraged the impact of EITI implementation. This is particularly relevant in a context like Peru's, where social conflict is often rooted in limited public understanding of how extractive revenues benefit local communities—a challenge that EITI implementation is actively helping to address.

EITI Peru has received recommendations for improving implementation from several stakeholders. The Inter-American Development Bank (IDB) and USAID collaborated in the publication of a report that included lessons learnt and recommendations for strengthening EITI implementation.

The Secretariat proposes that one additional point be added to the score on Outcomes and impact for this indicator.

1.2 Systematic disclosures of extractive industry data

This indicator considers the extent to which extractive sector data is disclosed systematically through routine government and corporate reporting.

Since the previous Validation, Peru has made continuous progress in the systematic disclosure of data. In 2021, the Government of Peru approved the Digital Government Law and, in 2023, the National Digital Transformation Policy. These regulations aim to address key aspects such as interoperability and digital transformation of government platforms and websites. Stakeholders in Peru confirmed that a significant share of data required by the EITI Standard is regularly disclosed through government sources, on the central government website and on the website of government agencies. The central government website serves as the main repository of data from different ministries, including laws and regulations of the [Ministry of Energy and Mines](#) (MINEM), the [Ministry of Economy and Finance](#) (MEF) and the [National Superintendence of Customs and Tax Administration](#) (SUNAT). Other disclosures include [production](#) statistics by MINEM, [monthly updates](#) on revenue collection and allocation to regional governments and municipalities by MEF, data on [revenue collection](#) by SUNAT. Other government agencies such as

the MEF disclose data on transfers in online government databases such as [Consulta de Transferencias](#) and open data [portals](#). For the oil and gas sector, PERUPETRO manages a publicly accessible [cadastral portal](#) for oil and gas blocks and an [online repository](#) of hydrocarbon exploration and production contracts. [PERUPETRO](#) and [Petroperu](#) also disclose audited financial statements. For the mining sector, the Geology, Mining and Metallurgy Institute (INGEMMET) uses GEOCATMIN, a [mapping system](#) to disclose data on license holders, coordinates of the licensed areas, date of award, validity fees and penalties. A significant share of the data covered by EITI reporting is now being routinely disclosed through government systems,, and the scope and accessibility of these disclosures have continued to expand since Peru's last Validation

Since the last Validation, the MSG has dedicated efforts and resources to strengthen the systematic disclosure of information within the scope of EITI Implementation, and to complete the activities outlined in the workplan related to data disclosure. EITI Peru has adopted and upgraded a data portal to facilitate the collection of data and the reconciliation process. The Ministry of Energy and Mines has supported the activities outlined in the 2022-2024 EITI Peru work plan by creating an online [platform](#) to disclose information on social payments made by companies to subnational government entities. Government agencies participating in the EITI process, such as SUNAT and the MEF, have shown willingness to further incorporate EITI data into their routine disclosures. Stakeholders consulted during Validation have positive views on how the EITI has supported transparency in government reporting entities.

The MSG could further address some information gaps such as duration of the mining licenses, improve the standardisation and interoperability of data and work on confidentiality constraints for strengthening systematic disclosures of extractive sector data.

The Secretariat proposes that one additional point be added to the score on Outcomes and impact for this indicator.

1.3 Environment for citizen participation in extractive industry governance

This indicator considers the extent to which there is an enabling environment for citizen participation in extractive sector governance, including participation by affected communities.

The Peruvian legal and regulatory framework incorporates several mechanisms to support citizen participation in extractive governance. At the national level, civil society participates in the [National Accord](#), signed in 2022, which sets policy guidelines for sustainable development and democratic governance. Additionally, several laws empower civil society to influence decision-making, including the Decentralisation Framework [Act](#), the Regional Governments Organisational [Act](#), and the Participatory Budget Framework [Act](#). Supreme Decree [168-2020-PCM](#) mandates ministries to establish coordination mechanisms with regional and local governments and civil society, although civil society stakeholders consulted expressed concerns over the lack of progress from some ministries on the consolidation of these coordination mechanisms. The 2018-2021 National [Plan](#) for Integrity and Anti-Corruption institutionalises civil society's role in fighting corruption. These frameworks have facilitated civil society's engagement in Peru's EITI MSG and regional commissions, strengthening accountability mechanisms at multiple levels of governance.

In the process of implementing the EITI Standard, Peru has fostered a conducive environment for dialogue between government, civil society and extractive sector companies. The MSG minutes

show evidence of a high level of attendance at MSG meetings of all constituencies, with frequent discussions on MSG priorities. Civil society at the national level has actively participated in the EITI process, engaging in informed debates, representing community interests at the national and international levels and maintaining regular communication with MSGs at the subnational level. The participation of companies in the EITI process has also been active and it has supported the disclosure of information in the EITI Reports. The 2021-2022 EITI report featured 51 companies (34 from the mining sector and 17 from the hydrocarbons sector), representing 89.4% of total mining production and 98.4% of total hydrocarbons production in Peru.

The previous targeted assessment noted that the engagement of civil society organisations within the EITI process remained high in the period under review. Consultations for this assessment confirm that the MSGs, at both national and subnational levels, continue to be enabling spaces for collaboration. CSOs have had access to funding and advancing projects related to EITI implementation. CSOs continue to participate in the scoping and designing of EITI instruments and in reporting, and they have been involved in the development of the work plan and the establishment of priorities for EITI implementation. Civil society participation in Peru spans from national MSG deliberations to subnational commissions, reinforcing the inclusivity of EITI implementation. National civil society organisations represented in the MSG have supported local CSOs in using the EITI process to advocate for greater transparency in extractive resource allocation through monitoring government commitments and ensuring that local concerns are reflected in EITI discussions.

Recent legislative changes, however, have raised concerns among stakeholders about sustaining an enabling environment for civil society participation in EITI and in natural resource governance in Peru. . A June 2024 legislative proposal was [approved](#) in March 2025, which expanded the mandate of the APCI (Peruvian Agency for International Cooperation) and mandated increased oversight on CSO activities and funding. Local CSOs and international development partners alike cautioned that these amendments could lead to funding restrictions on CSOs focused on human rights and political advocacy. [Annexe A: Assessment of Requirement 1.3 on civil society engagement](#) notes the early impacts on civic space, specifically on the freedom of expression and operation. The law applies to all civil society organisations and their subgrantees that received funding from international cooperation partners, thus to NGOs beyond those engaged on natural resource governance. In [2020](#), although Peru had signed the Escazú Agreement, Congress rejected its ratification—and reaffirmed this decision again in [2022](#). This has raised concerns among civil society organizations and environmental defenders, who argue that the absence of ratification limits the protection of environmental rights and those who defend them.

In addition to wider legislative challenges, funding and limited technical expertise are relevant issues to address for civil society's sustained engagement. Limitations in access to international funding, due to a lack of available funding from specific donors such as USAID pose a challenge to some CSOs, particularly those operating at the regional level. While organisations actively involved in EITI have managed to secure financial support from international donors, , recent changes in international aid represent a major risk to the participation of civic society in the EITI at both national and subnational levels.

The Secretariat still recognises, however, the engagement demonstrated by civil society in the past years and the space that the MSG has created to enable civil society participation especially at subnational levels. For this reason, the International Secretariat proposes that 0.5 additional points be added to the score on Outcomes and impact for this indicator.

1.4 Accessibility and use of extractive industry data

This indicator considers the extent to which extractive sector data is accessible and used for analysis, research and advocacy.

Peru's disclosures on the extractive industries through EITI reporting have addressed some of the data needs of key stakeholder groups. Since the last Validation, EITI Peru has made significant progress towards disclosing fiscal and extractive data on revenue flows at the national level. The MSG has worked on developing a reporting [platform](#) that aims to centralise some of the information required by the 2019 EITI Standard, although timeliness of data needs to be improved.

At the subnational level, EITI Reports have also contributed to making extractive sector data available to communities. EITI subnational reports use data from the national EITI Reports to disclose contextual information and payments declared by companies operating in the extractive regions. EITI subnational reports also include a detailed analysis of transfers to regional government entities, including level of execution and areas of investment. Building on national-level disclosures, these subnational reports offer more disaggregated and locally relevant information on issues of particular interest to civil society, such as environmental management, the use of revenues by local governments, and assessments of spending efficiency and investment outcomes. Civil society organisations participating at the subnational level use extractive sector data and [MSG](#) spaces to conduct citizen oversight exercises, strengthening the accountability mechanisms of subnational governments and bringing extractive transparency issues into local discussions, although they highlighted the simplification of language, improvement of visualisation tools and extended analysis of subnational EITI Reports as opportunities for the national MSG to enhance citizens' access to extractive sector information.. In addition, civil society representatives within the MSG have actively [advocated](#) for the expansion of EITI disclosures to include environmental and social information, including payments and policies related to environmental management and community engagement. These efforts have contributed to a broader interpretation of EITI's scope and relevance for communities. Evidence of public use of EITI data is also visible, with regional reports being [republished](#) by civil society organisations in more accessible formats and used to support public [debate](#) on local investment priorities, such as in the education, agriculture, and health sectors.

There is scope for further strengthening EITI implementation and the use of extractive sector data by addressing aspects of the 2023 EITI Standard that did not exist during Peru's previous Validation. Key aspects include the adherence of reporting government entities to national transparency [policies](#), the disclosure of anti-corruption policies and practices of reporting companies, the disclosure of beneficial ownership, emissions and gender-disaggregated data, enhancing data timeliness, and improving the availability of open data and interoperable formats. Stakeholders consulted at national and subnational levels expressed the need to extend the scope and resources for analysing EITI data.

The Secretariat proposes that 0.5 additional point be added to the score on Outcomes and impact for this indicator.

1.5 EITI-related changes to extractive industry policy and practice

This indicator considers the extent to which EITI has informed changes in extractive sector policies and practices.

EITI implementation in Peru has played a role in informing extractive sector practices aimed at reinforcing accountability at both national and subnational levels. Regular discussions within the MSG and with wider constituencies have contributed to institutionalise citizens' oversight of the way funding is devolved and executed. EITI Peru has served as a space where civil society organisations pushed for strengthening accountability mechanisms and the disclosure of environmental impact [information](#). The previous targeted assessment acknowledged the adequate level of collaboration between government stakeholders, with MEF representatives emphasising that EITI implementation was regarded as a best practice in government transparency, which authorities intended to promote further as part of the good governance tools within the enabling environment, in line with the OECD accession programme.

Stakeholder consultations and MSG minutes noted that in the period under review, the Ministry of Energy and Mines has continued strengthening its collaboration with national and subnational government agencies to improve data collection and reporting procedures. Government stakeholders consulted expressed that EITI implementation has driven incremental improvements in government reporting and public accountability, deepening the understanding of natural resource governance. At the subnational level, EITI reports serve as a tool to analyse the adherence of government entities to transparency regulations, and to identify deviations and information gaps.

However, there is limited evidence of the use of EITI disclosures by decision-makers, discussions on the adequacy of extractive sector policies, along with the lack of systematic methods to document these discussions and conduct policy analysis within the framework of the EITI Standard that can inform changes in the extractive sector policies..

The Secretariat proposes that 0 additional points be added to the score on Outcomes and impact for this indicator.

2. Outcomes and impact

This component assesses EITI Requirements 7 and 1.5, which relate to progress in addressing national priorities and public debate.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in annex to this report.

EITI Requirement and assessment	Summary of progress in addressing the EITI Requirement
Work plan (Requirement #1.5) <i>Mostly met</i>	<p>The International Secretariat's assessment is that Requirement 1.5 is mostly met, which is an improvement from the previous targeted assessment conducted in 2022. The Secretariat's view is that the objective of this requirement, which seeks to ensure that annual planning for EITI implementation supports national priorities for the extractive industries by setting out realistic activities as a result of broad consultation with government, industry and civil society, has been mostly fulfilled, pending the revision and update of the work plan on an annual basis. As compared to the work plan reviewed in the previous targeted assessment, the current work plan is fully costed.</p> <p>The EITI work plan presented by the MSG aligns with national priorities outlined in the National Development Plan such as strengthening transparency, the fight against corruption and the good governance of natural resources. More specifically, the Supreme Decree 043-2023 establishes the General Government Policy for the current presidential term, which includes nine categories that set the basis for the country's policy framework and plans for the current presidential term. Based on this government policy, the Ministry of Energy and Mines (MINEM) has developed the National Mining Sector Plan, which prioritises harmonious relations through mechanisms of social consultation and citizen participation in mining-energy issues, in a transparent and efficient manner. This objective serves as a link between national sector policies and the EITI work plan and reflects the EITI Principles of ensuring a transparent and inclusive governance of the extractive sector.</p> <p>The work plan includes several activities aimed at strengthening subnational EITI implementation which has been identified as a priority of the MSG. The outcomes of the activities, the subnational EITI Reports, have been published and supported by the MSG. The work plan includes references to thematic areas linked to Beneficial Ownership Transparency and several commitments are linked to strengthening systematic disclosures and mainstreaming in the MINEM systems and in the portal of EITI Peru. In addition, the work plan includes a state commitment to continuously support the achievement of work plan objectives, mainstreaming administrative processes and allocating human resources to strengthen EITI implementation.</p> <p>Some actions included in the workplan aim to foster articulation and data sharing with entities holding key reporting information such as the MEF, SUNAT, OEFA, MINEM and ANA and to align their procedures to EITI reporting processes.</p>

	<p>The work plan is fully costed, and it includes references to funding sources for several of the deliverables including the National and subnational EITI Reports. The main source of funding is the MINEM, which assumes most of the operational costs associated with EITI implementation in Peru. Additionally, supporting entities are highlighted as additional funding sources. The Inter-American Development Bank (IADB) and the United States Agency for International Development (USAID) have played a major role in supporting EITI Peru in the implementation of activities and publications that foster dialogue at national and subnational levels. However, the work plan does not specify how other dissemination activities described in the document will be funded.</p> <p>The work plan was approved on 29 November 2022, and it includes time-bound activities involving civil society, government officials, companies and the national secretariat. MSG minutes also show discussions on the progress of the activities outlined in the workplan. Some of these activities focus on reporting tools and procedures aimed at strengthening the technical capacities of subnational MSGs in the discussions of the Regional Transparency Studies. The targeted assessment conducted by the International Secretariat on April 2022, required Peru to agree and publish a fully costed work plan aligned with the reporting and Validation deadlines, linked to the EITI Principles, and reflecting national priorities. The MSG has showed progress in fulfilling this requirement, although stakeholders confirmed that the MSG has not revised and updated the work plan on an annual basis.</p> <p>In the MSG's comments to the draft Validation Report, they committed to develop a procedure by which activities identified annually in work plan activities would be reviewed and assessed by MSG members. This will help to respond to the corrective action for Requirement 1.5 calling for increased documentation of progress in responding to work plan activities.</p>
<p>Public debate (Requirement #7.1)</p> <p><i>Exceeded</i></p>	<p>The International Secretariat's assessment is that Requirement 7.1 is exceeded, which is an improvement from the previous Validation. The Secretariat's view is that the objective of this requirement, which seeks to promote evidence-based public debate on the governance of the extractive industries by actively communicating relevant information to key stakeholders in a manner that is accessible and aligned with their needs, has been exceeded.</p> <p>National and subnational EITI Reports are written in an accessible and clear manner, and information about EITI implementation, including national and subnational reports, data and analyses is accessible on the EITI Peru website, hosted by the Ministry of Energy and Mines (MINEM). In addition, some subnational MSGs disseminate information through their own online portals, broadening the reach of the publications. MSG members, including civil society organisations and industry associations make independent efforts to disseminate EITI information through their respective websites.</p> <p>In addition to the EITI Peru website, the extractive sector information published by national EITI Reports is accessible to the public on the MINEM via publications such as the Statistical Mining and Hydrocarbon bulletins, in alignment with the national open data and digital transformation policies. In addition to the EITI reports and publications, the information disclosed by the EITI Peru website includes a visualisation platform that allows users to compare and download revenue data disaggregated by revenue stream, representing important steps towards open and interoperable data.</p>

	<p>EITI disclosures in Peru include comprehensive information at both the national and sub-national levels. The sub-national EITI Reports include data on the relevance of royalty revenues disaggregated by region and municipality, investments in public services, transfers made to public institutions and universities, and an assessment of the Standard Transparency Portals. In addition, the MSG has produced brief summary reports (Resumen Amigable) showcasing specific data about EITI implementation at both national and subnational levels and evidencing efforts to improve the accessibility of information. These summary-reports include infographics and tables with specific information and plain language that make data more easily understandable for citizens. Local stakeholders consulted for the Validation manifested the key role that the subnational EITI implementation and the disclosure of subnational data play in public debate and to keep grassroots organisations informed and involved. In addition to the EITI subnational reports and the brief-summary reports, the national and subnational MSGs have designed communication materials designed to facilitate access and understanding of the data by a diverse audience. These materials include infographics, subnational progress reports, and informative videos. These communicative pieces allow sectors of the population with diverse backgrounds and age ranges to access and understand the information.</p> <p>In the period under review, the MSG has organised events for socialising EITI Reports and data, including annual gatherings to mark the publication of EITI Reports. In July 2024, the Ministry of Energy and Mines presented the ninth EITI Report covering the 2021-2022 fiscal years. The MSG and its constituencies have supported subnational MSGs in organising gatherings to mark the publication of EITI subnational reports, citizen oversight activities, peer learning activities and public debate activities at the local level. With the support of USAID, constituencies at the MSG have developed communication campaigns aimed to inform grassroots communities about the transfers of royalties and encourage public monitoring by citizens. These communication efforts use social media, publications, and informative videos using local languages to inform the public.</p> <p>The international development community has played a key role in supporting public debate activities among civil society groups. In December 2023, the Inter-American Development Bank (IDB) published a study providing a detailed analysis of the achievements and areas for improvement of EITI Implementation in the country. It also presents specific recommendations for the short, medium and long term that were presented to the Ministry of Energy and Mines. Other organisations have played a role in funding these dissemination activities. Stakeholders consulted confirmed that the grants provided by these organisations have increased citizen participation in decisions on the use of natural resource revenues, and in monitoring extractive sector revenues, ensuring that companies and government are accountable for their commitments to communities.</p>
<p>Data accessibility and open data (Requirement #7.2)</p> <p><i>Mostly met</i></p>	<p>The International Secretariat's assessment is that Requirement 7.2 is mostly met. The Secretariat's view is that the objective of this requirement, which seeks to enable wider use and analysis of information on the extractive industries through the publication of data in open and interoperable formats, has been mostly fulfilled, pending the publication of extractive sector data in open and interoperable formats with other public datasets.</p> <p>Much of the information on EITI implementation is available on the EITI Peru's website in PDF and open data formats, and statistical information on the extractive</p>

	<p>sector is also available for downloading in open data format on the websites of government agencies.</p> <p>However, not all extractive sector data disclosed by the EITI Report and the MSG are publicly available in machine-readable formats, including the summary data templates for EITI Reporting, which were submitted to the International Secretariat in October 2024. Although an online system for data collection and visualisation has been implemented and it is possible to download data in CSV format, the information is not yet updated to include data from the last EITI Reports covering the 2019-2022 fiscal years. In the MSG's comments to the draft Validation Report, stakeholders noted that much of the information found in EITI reporting is available in excel format on the EITI Peru website. These comments also considered that EITI Peru was continuously striving to improve their data timeliness, with a key consideration that data be available in open and interoperable format.</p> <p>There is no evidence that the National Commission has discussed or adopted a specific policy on access, disclosure and re-use of EITI data, as required by requirement 7.2.a. However, consulted stakeholders expressed that the lack of such a policy is due to the existence of a national open data framework, including a Law on Transparency and Access to Public Information and its related regulations, and a Law on Digital Government and its related regulations. These frameworks set the base for digital cooperation between government agencies, regulate the disclosure and use of open data and are used by stakeholders for disclosing extractive sector information needed for the national and subnational EITI Reports.</p>
<p>Recommendations from EITI implementation (Requirement #7.3)</p> <p><i>Fully met</i></p>	<p>The International Secretariat's assessment is that Requirement 7.3 is fully met, as in the previous Validation. The Secretariat's view is that the objective of this requirement, which seeks to ensure that EITI implementation is a continuous learning process that contributes to policy formulation through regular consideration of findings and recommendations of the EITI process by the MSG and prioritisation of those actions deemed relevant, has been fulfilled. Improvements in the follow-up procedures for both the recommendations issued by the 2019 Validation and by the Independent Administrator could further strengthen the fulfilment of this requirement.</p> <p>The MSG considers the implementation of the EITI as a continuous learning process for both the MSG and for government agencies that has contributed widely to transparency and integrity in the public sector. The MSG has consistently reviewed the progress made in addressing corrective actions and recommendations issued by the Independent Administrator. These reviews are conducted annually during the initial stages of EITI Report preparation and are duly documented in the official minutes of MSG meetings. The MSG in Peru has integrated various lessons learned from the implementation of the EITI in the development of their activities, including steps taken to addressing the recommendations of EITI Implementation that can be found in the 2020-2023 EITI progress report. Progress in addressing the recommendation of implementing technological tools in the preparation of national transparency reports has also allowed for a timelier dissemination of information. The MSG has included in the work plan activities to address some information gaps from the previous Validation report, such as social and environmental expenditures by extractive companies and the environmental impact of extractive activities. The work plan also refers to activities to address the corrective actions from the previous Targeted Assessment.</p>

<p>Review the outcomes and impact of EITI implementation (Requirement #7.4)</p> <p><i>Mostly met</i></p>	<p>The International Secretariat's assessment is that Requirement 7.4 is mostly met, as in the previous Validation. The Secretariat's view is that the objective of this requirement, which seeks to ensure regular public monitoring and evaluation of EITI implementation, including review of whether it is meeting its objectives to ensure public accountability of EITI Peru, has been mostly fulfilled.</p> <p>The MSG in Peru has actively reviewed the progress and outcomes of EITI Implementation and evidence of these discussions is available in MSG minutes published in the EITI Peru website. The MSG minutes show evidence of regular discussion regarding progress in the implementation of engagement strategies, progress in the publication of EITI subnational reports and the progress in defining the scope of data disclosures. In September 2024, the MSG discussed the impact of EITI implementation and agreed on publishing a progress report in covering the period 2020-2023. Discussions related to the outcomes of EITI implementation were held regularly and are documented in MSG minutes. The 2020-2023 progress report highlights key priorities identified by the MSG, such as consolidating the National Secretariat and strengthening subnational EITI Implementation. The progress report highlights the adherence of three new regions that began implementing the EITI Standard in 2023, marking a total of eight regions with a subnational MSG.</p> <p>The 2020-2023 progress report identifies achievements and challenges for EITI Implementation, providing a detailed description of activities conducted towards meeting EITI Requirements, compliance with the recommendations in the EITI Reports and progress towards the objectives set out in the work plan.</p> <p>The documentation submitted by the MSG and the progress report identify some actions implemented to addressing governance challenges and extending the impact of EITI implementation. However, the documentation submitted by the MSG does not include gender disaggregated information or rationale on how the activities included in the progress report have strengthened women's participation in the MSG and in the EITI process. In their comments to the draft Validation Report, the MSG committed to including more gender disaggregated data in future reporting. The International Secretariat encourages Peru's MSG to adhere to annual reviews of outcomes and impact to ensure that each EITI report can build off of lessons learned previously.</p>
<p style="text-align: center;">New corrective actions and recommendations</p>	
<ul style="list-style-type: none"> • In accordance with Requirement 1.5, the MSG in Peru is required to develop and publish a clear procedure for monitoring progress of activities agreed in the work plan, ensuring that the agreements are discussed and reflected in the work plan by MSG members on an annual basis. In fulfilling this Requirement, the MSG could consider strengthening the socialisation of activities included in the work plan with key stakeholders beyond the national MSG and establishing a consultative work planning and monitoring cycle that ensures the relevance and accountability of EITI implementation to national stakeholders. • To strengthen EITI Implementation of Requirement 7.1, the MSG in Peru is encouraged to continue strengthening national and subnational debates on extractive sector governance and supporting the EITI subnational MSGs in reaching and involving key local stakeholders, such as key legislative actors, in these discussions. To strengthen EITI Implementation, in accordance with Requirement 7.1, Peru is encouraged to continue strengthening the debate on timely 	

systematically disclosed information, including data disclosed by government platforms and company reports.

- In accordance with Requirement 7.2, Peru is required to ensure that EITI data disclosed by the MSG in EITI websites and by government platforms is available in open and machine-readable formats, including data tables accompanying EITI Reports and data disclosed by the EITI data collection online systems of the Ministry of Energy. In fulfilling this requirement, Peru could consider the interoperability of data that could facilitate integration with other public datasets. To strengthen implementation of Requirement 7.2, Peru is encouraged to assess the adherence of the national and subnational government reporting entities to the national regulations regarding freedom of information. In fulfilling this Requirement, the MSG could agree on mechanisms and procedures to disclose this information.
- To strengthen implementation of Requirement 7.3 and ensure that the EITI process builds on previous recommendations, Peru MSG is encouraged to document and disclose the mechanism for following up both the recommendations issued by the 2019 Validation and by the Independent Administrator in a regular basis.
- In accordance with Requirement 7.4, Peru should annually review outcomes and impact of EITI implementation. To strengthen implementation, Peru is encouraged to consider gender-responsive provisions and gender disaggregated data as indicators to be verified in the progress report, which could represent a significant step towards strengthening the EITI's inclusive approach at national and subnational levels. In fulfilling this requirement, the MSG might wish to consider extending this verification to activities outlined in the work plans of EITI subnational MSGs.

3. Stakeholder engagement

This component assesses EITI Requirements 1.1 to 1.4, which relate to the participation of constituencies and multi-stakeholder oversight throughout the EITI process.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in annex to this report.

EITI Requirement and assessment	Summary of progress in addressing the EITI Requirement
Government engagement (Requirement #1.1) <i>Mostly met</i>	<p>The International Secretariat's assessment is that Requirement 1.1 is mostly met, which is an improvement from the previous targeted assessment conducted in 2022, where the requirement was deemed to have been 'partly met'. The MSG's 'Stakeholder engagement' template considers the objective is fully met, citing the technical and financial support provided by the central government for EITI implementation at the national and subnational levels. However, some consulted stakeholders from civil society cautioned that government commitment has not yet achieved a consistently high level in the last five years and questioned whether the objective should be considered fulfilled. The International Secretariat considers the objective to ensure a full, active and effective government lead for EITI implementation, both in terms of high-level political leadership and operational engagement as mostly fulfilled. Indeed, government has provided consistent financial support for EITI implementation and the presence of government officials in meetings during the Validation team's visit are encouraging signs. However, a general lack of attendance by senior government officials in national MSG meetings in the period under review shows that there is room for increased participation by senior government officials.</p> <p>Implementation of the EITI in Peru began through Supreme Court decree No. 028-2011-EM. This decree created the multi-stakeholder group (MSG) and placed the Technical Secretary within the General Office for Social Management (OGGS) of the Ministry of Energy and Mines (MINEM). Since 2011, numerous public statements have been made indicating Peru's continued adherence to the EITI Standard. Most recently, the former Minister of Energy and Mines reaffirmed Peru's commitment to the EITI after a brief suspension due to missing reporting deadlines. Commitment is also shown through the continued expansion of subnational implementation in the country.</p> <p>The Vice Minister of Mines and the Vice Minister of Hydrocarbons were appointed as senior government officials representing the government constituency, with the latter serving as the lead government official.¹ Within the OGGS, government officials also make up a technical team that consists of four permanent staff who carry out operational duties in the national secretariat. Some consulted civil society representatives commented that attendance at MSG meetings by senior government officials, such as the vice minister, had decreased in the last five years. This was echoed by some consulted industry representatives as well. The</p>

¹ High levels of political instability have led to multiple individuals holding the positions of Vice Minister of Mines and Vice Minister of Hydrocarbons in the period under review. The progression of these individuals is clearly documented in the 'Stakeholder engagement' template submitted by Peru MSG for this Validation.

	<p>International Secretariat's document review of MSG meeting minutes confirms the lack of attendance of government officials at the level of vice minister.</p> <p>Lack of attendance by high-level government officials, in the Secretariat's view, is linked to the broader political context Peru finds itself in, with six Presidents in seven years, and the steady nomination of government officials to posts such as Minister and Vice Minister. Regarding the broader political context, representatives from the mining industry noted during consultations that the near-constant turnover in high-level government officials led to a lack of institutional knowledge of EITI implementation in the country. Civil society representatives echoed this sentiment, noting that a lack of steady engagement by high-level government officials was a growing weakness in EITI implementation. Despite the lack of steady presence by senior government officials, the technical secretariat team has consistently attended MSG meetings at the national and subnational level, as noted in MSG meeting minutes and subnational press releases. This team is well-capacitated both technically and financially and supports progress in addressing EITI Requirements and accompanying correction actions and strategic recommendations. The MINEM acknowledged the impact that political turnover has on providing a steady government partner in dialogue on extractive issues and highlighted the EITI as an interlocutor to improve their relations with industry and civil society stakeholders.</p> <p>While political instability has persisted since the MINEM's acknowledgement of political turnover, the International Secretariat views this as an effort to overcome bottlenecks in institutional support for EITI implementation. Further efforts to overcome gaps in data transparency and timeliness include the MINEM's agreement with civil society to provide financial support for the development of further online dissemination publications on the EITI Peru web page. The 'Transparency template' also details government efforts to support continued functioning of the GMP during the COVID-19 pandemic. For the Validation process, government entities provided data required and reporting templates were submitted by government in a timely manner. Since a lack of timely publication of annual EITI reports found in the 2022 targeted assessment, Peru's EITI reporting has returned to regular publication of annual reports.</p> <p>The MINEM provides funding, through its annual budget, for EITI implementation at national and subnational levels (see here and here). However, some consulted civil society stakeholders noted that despite state funding, certain subnational MSGs still lack sufficient funding and questioned why subnational governments did not also provide funding. These stakeholders stated that some regions lacked the proper personnel to complete EITI reporting requirements and needed extra financing to achieve these goals. Despite these individual funding shortfalls, the International Secretariat views the financial support that Peru's government provides for EITI implementation as essential to continued EITI implementation activities and commends government funding commitments made to date.</p> <p>Peru's 'Stakeholder engagement' template submitted with this Validation details the process by which government stakeholders within the MSG liaise with the broader community at both the national and subnational level. This process includes formal mechanisms for requests flowing from central government to the broader community and vice versa. Given these communication channels and the government's commitment to improved dialogue with civil society and industry</p>
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	stakeholders, the International Secretariat is optimistic that issues such as funding shortfalls at the subnational level can be addressed.
Industry engagement (Requirement #1.2) <i>Fully met</i>	<p>The International Secretariat's assessment is that Requirement 1.2 is fully met, as in the previous targeted assessment conducted in 2022. The MSG's 'Stakeholder engagement' template also considers that the objective to ensure that extractive companies are fully, actively and effectively engaged in the EITI, both in terms of disclosures and participation in the work of the multi-stakeholder group, and that the government ensures an enabling environment for this, is fulfilled. Consulted industry stakeholders echoed what was found in the template, noting that representatives are present at all national and subnational MSG meetings and have played a fundamental role in the subnational expansion of the EITI in Peru.</p> <p>Industry engagement in Peru's EITI implementation is conducted through the National Society of Mining, Petroleum and Energy (SNMPE), a business association which represents mining and oil and gas companies. In terms of national production, the SNMPE represents over 80% of all metallic mining production other than gold, where it represents 67% of production. In oil and gas, the SNMPE represents 89% and 99% of total production, respectively. Consulted industry stakeholders expressed confidence in the role of the SNMPE to represent their views, and the SNMPE plays a central role in training new members on their EITI reporting responsibilities. All changes to company membership within the SNMPE are clearly documented.</p> <p>Through the SNMPE, industry representatives are present at both national and subnational MSG meetings. MSG meeting minutes for national MSG meetings affirm the SNMPE's presence in all MSG meetings. At the subnational level, the MSG's 'Transparency template' describes how SNMPE's efforts have predated Peru's formal expansion to subnational EITI implementation. Documentation provided in annexe to this template show the SNMPE's presence in subnational MSG meetings and at subnational events. Screenshots of conversations likewise show the day-to-day communications undertaken by SNMPE with both association members and outreach to stakeholders not within the association.</p> <p>Through documentation and consultations, industry stakeholders indicated that there was an enabling environment for company participation with regard to relevant laws, regulations and administrative rules. In practice, these stakeholders noted that short timelines for company reporting had led to strain among member companies in fulfilling EITI deadlines. Key to delays, as noted by industry representatives, was the contracting of a consultant to write the 2021-2022 EITI Report. These delays caused the reporting window for companies to be significantly shorter than anticipated.</p> <p><u>Presence of EITI supporting companies in Peru</u></p> <p>The following EITI supporting companies operate in Peru are Barrick Gold, BHP, Poderosa, Freeport-McMoRan, Glencore, Gold Fields, JX Nippon Mining & Metals, Minsur, MMG, Newmont, Repsol Group, Rio Tinto, Shell plc, Southern Copper, Sumitomo Metal Mining, Teck, Trafigura and Woodside. Of these, Poderosa is a MSG member and actively participates in MSG meetings and reporting. The larger business association, SNMPE, includes most of these companies as members and represents these companies' interests while liaising with the broader industry constituency.</p>

<p>Civil society engagement (Requirement #1.3)</p> <p><i>Mostly met</i></p>	<p>The International Secretariat's assessment is that Requirement 1.3 is mostly met, which constitutes a regression from the targeted assessment conducted in 2022. There are civil society representatives substantially involved in EITI implementation, including those outside of the multi-stakeholder group, who are active and fully able to engage in effective advocacy and collaboration around issues of importance during MSG meetings and EITI-related activities. However, the International Secretariat considers that early evidence on the impact of the Law No. 32301, amending Law No. 27692 creating the Peruvian Agency for International Cooperation (APCI) – further referred to as 'APCI law', passed in April 2025 –o constitute breaches of the EITI protocol: Participation of civil society related to freedom of expression and operation.</p> <p>Civil society representatives on the MSG maintain strong networks with community-based organisations in regions where extractive activities occur and are able to consult with this broader community to present to the other constituencies that make up the MSG. In the period under review, civil society stakeholders worked with industry and government to transmit EITI materials to the broader CSO community in innovative ways, such as an explanatory video in Quechua and a YouTube channel with short videos explaining technical EITI topics. Subnational MSGs serve as key interlocutors of EITI information to surrounding communities and subnational MSG meetings give local CSOs an opportunity to advocate directly with government and industry stakeholders on issues of importance.</p> <p>Despite the positive signs of civil society engagement mentioned in the preceding paragraph, amendments in 2024 to laws that broaden government oversight of CSOs receiving foreign funding ('APCI law') was noted a cause for concern in the draft assessment. In its comments to the draft assessment, civil society disagreed with the assessment of the draft report as 'fully met' and provided several examples of tangible impacts of the law on their activities and the type of communication they publish. They confirmed that some civil society engaged in the EITI process have started to practice self-censorship on any statement that could be interpreted as encouraging, recommending, promoting or advocating litigation against the state. Some statements that they fear could be interpreted as violations of the law have been taken down from a few CSO websites. They also noted that some civil society representatives have started cancelling activities such that provide technical assistance and legal advice to organisations which are engaged in litigation cases against the government. There is a linkage to the EITI process given that organisations engaged in the EITI process have been affected and the activities relate to extractive governance issues. For example, civil society organisations substantially engaged in the EITI process provide technical and legal assistance to environmental and human rights defenders of communities impacted by both legal and illegal mining activities, including legal suits against the Peruvian government. Although the law has been recently enacted and its implementing rules are yet to be approved, the Secretariat considers that early trends of its application are not negligible considering the effect of the law on civil society's ability to freely express their views.</p> <p>There are also early indications that the new APCI law has slowed down the execution of grants and work plans. Stakeholders noted that civil society organisations feel restrained from implementing their activities out of abundant caution of not violating the new law. Registrations of organisations have also become burdensome with the new law's requirements. The Secretariat considers that these constitute a restraint on civil society's freedom to operate.</p>
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	For a complete analysis of Requirement 1.3, the Civil Society Protocol and an overview of the broader civic space, as well as a closer description of the APCI law and its documented and potential impacts on civil society engaged on the EITI process, please refer to Annexe A.
Multi-stakeholder group (Requirement #1.4) <i>Fully met</i>	<p>The International Secretariat's assessment is that Requirement 1.4 is fully met, which is an improvement from the previous targeted assessment conducted in 2022. The MSG's 'Stakeholder engagement' template considers that the objective to ensure that there is an independent MSG that can exercise active and meaningful oversight of all aspects of EITI implementation that balances the three main constituencies' (government, industry and civil society) interests in a consensual manner is fulfilled. Consulted stakeholders from all constituencies acknowledged that the MSG was imperfect but agreed with the assessment that the objective continues to be fulfilled. The International Secretariat notes improvements in the engagement from senior government officials and the return to timely EITI reporting as grounds for an improved assessment of fully met.</p> <p>Peru's MSG was first established in 2011 through Supreme Court Decree No. 028-2011-EM. The initial invitation to participate was open and transparent with a clear government commitment to work with civil society and companies. Nomination processes of each constituency group are clearly indicated, with reference to when MSG members have changed. While outreach to stakeholders outside of the EITI process occurs in each constituency group, some consulted civil society and industry stakeholders considered that government representation on the MSG was too centred on the Ministry of Energy and Mining. These stakeholders suggested that other relevant government entities, such as the National Superintendency of Customs and Tax Administration (SUNAT) and the Ministry of Environment (MINAM) become formal members of the government constituency.² Despite these assertions, all consulted stakeholders considered that they were adequately represented on the MSG.</p> <p>Nomination processes for each constituency group are clearly documented. For government, Supreme Court Decrees serve as the nomination process for appointing the Vice Ministers as government representatives. Replacement of members occurs through Authoritative Resolutions. For industry, the SNMPE conducts a formal election procedure where nominations and replacements are tabled and discussed during committee meetings. EITI documentation affirms that all replacements followed this statutory procedure. For civil society, the same procedure is used at the national and subnational level, with elections occurring every two years. EITI documentation describes the process by which current CSO representatives send a letter of convocation to the larger CSO group requesting that interested parties submit a letter of interest. Voting is conducted virtually and is transparent.³ It is not clear whether gender balance was directly considered in these nomination procedures.</p> <p>In the MSG's comments on the draft Validation Report, the MSG provided additional information on the processes by which the MSG is managed and where this information can be found on government systems, such as the Unified Register for Commissions of the Executive Power (RUCPE). Further information on gender</p>

² EITI Peru's [8th Annual Progress Report](#) recognises greater involvement by SUNAT and MINAM as key areas for improvement and has proposed mechanisms for their increased involvement in EITI activities.

³ For detailed records of CSO nominations under the period under review, please refer to Annex 2 of the 'Stakeholder engagement' template.

	<p>considerations in nomination procedures was not provided during the MSG commentary period.</p> <p>The MSG's Terms of Reference (ToR) take the form of the legal decree that created the multi-stakeholder group. This decree includes the rules, responsibilities and rights of the multi-stakeholder group. In general, stakeholders considered themselves capacitated to carry out their duties, though some consulted civil society stakeholders noted inadequate funding to accomplish everything considered a priority. EITI documentation details outreach activities through media, websites and letters and the country website, hosted by MINEM, is one of multiple sources that disseminate information about the EITI process to the wider public. EITI reporting notes that Peru's MSG does not have a specific code of conduct, but that the MSG maintained its actions within the framework of integrity and ethical conduct.</p> <p>The MSG's 'Stakeholder engagement' template confirms the approval of work plans to guide oversight of implementation, with the 2022-2024 work plan approved on 29 November 2022. This template also describes its agreement with the Independent Administrator on the ToR for preparing the 2021-2022 EITI Report. Key internal governance rules and procedures by which the MSG conducts itself include decision-making by consensus and the treatment of all parties in an equal manner. During consultations, stakeholders did not indicate that they had been prohibited from raising issues for discussion at the MSG. MSG members serve for terms of two years and convocations for new members are clearly documented. National MSG meetings occur on a monthly basis, with subnational MSG meetings occurring at varying frequencies. Stakeholders did not raise issues with the amount of notice given before MSG meetings or the timely circulation of documents. MSG discussions at the national level are clearly recorded, with access to meeting minutes on the EITI Peru website. EITI reporting confirms that there is not a per diem practice for MSG members in Peru.</p>
New corrective actions and recommendations	
<ul style="list-style-type: none"> • In accordance with Requirement 1.1, Peru should ensure that the government is fully, actively and effectively leading all aspects of EITI implementation. In particular, the senior official appointed to represent government should demonstrate their regular participation in EITI activities through increased attendance to MSG meetings. • To strengthen implementation of Requirement 1.2, Peru's industry constituency is encouraged to formally document potential bottlenecks to implementation and suggest methods for overcoming these barriers. • In accordance with Requirement 1.3, the government should ensure that there is an enabling environment for citizen participation in discussions around natural resource governance. In the application of the Law No. 32301, which amends Law No. 27692, the government must ensure that civil society organisations are not restrained from exercising their right to demand accountability from government on issues related to natural resource governance. This includes the freedom to express critical views and to carry out activities aimed to hold the government to account. The government should ensure that the law does not impose unnecessary administrative burdens to civil society organisations that would impede on their freedom to operate. <p>In accordance with the EITI protocol: Participation of civil society, civil society MSG members are encouraged to monitor and bring any ad hoc restrictions that could constitute a breach of the</p>	

protocol to the attention of the MSG, including regularly monitoring developments regarding civil society's ability to engage in the EITI process and have access to funding, whether foreign or domestic. The MSG is encouraged to document its discussions related to any impacts of the law. The government, in collaboration with the MSG, should document the measures it undertakes to remove any obstacles that were raised.

The government is encouraged to consult civil society organisations engaged in the MSG as it formulates the implementing the rules for the Law 32301.

Peru EITI is encouraged to work with all stakeholders to design mitigation strategies to ensure that the amendments to the Law 27692 do not result in further restrictions on freedom of civil society organisations.

- To strengthen implementation of Requirement 1.4, the government is encouraged to consider expanding its constituencies membership in the MSG to include entities such as SUNAT and MINAM. The MSG should use the roadmap proposed in the eighth Annual Progress Report to inform this expansion and document the process.

4. Transparency

This component assesses EITI Requirements 2 to 6, which are the requirements of the EITI Standard related to disclosure.

Overview of the extractive sector (Requirements 3.1, 6.3)

Overview of progress in the module

The 2021-2022 EITI Report and reports from the Ministry of Energy and Mines (MINEM) and PeruPetro provide comprehensive information about the extractive sector in Peru, including information on exploration activities and the contribution of the sector to the economy. While EITI reporting and other disclosures provide extensive descriptions of the formal extractive sector, there is scope for greater disaggregation of employment data from the hydrocarbon sector.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in annex to this report.

EITI Requirement and assessment	Summary of progress in addressing the EITI Requirement
Exploration (Requirement #3.1) <i>Exceeded</i>	<p>The International Secretariat's assessment is that Requirement 3.1 is exceeded. The resources listed below provide valuable insights into Peru's extractive industries, offering stakeholders public access to an overview of the extractive sector in the country and its potential. Therefore, the objective of this requirement to ensure public access to an overview of the extractive sector in the country and its potential, including recent, ongoing and planned significant exploration activities is considered exceeded.</p> <p>The 2021-2022 EITI Report provides a comprehensive overview and history of Peru's extractive sector, including its economic impact, reserves, production volumes, and exploration activities for both mining and metals and hydrocarbon sectors. It also features an analysis of the artisanal and small-scale mining sector, covering employment and production by mineral, but stops short of listing exports. Subnational EITI reports further provide specific overviews and histories for each of their respective regions.</p> <p>An overview of mining exploration activities is provided in the 2021-2022 EITI Report including the company list, type of project, region and principal product. A dedicated report 2022 mining exploration project portfolio from the Ministry of Energy and Mines (MINEM), provides a comprehensive overview of the exploration projects, project stages and location. MINEM also publishes a monthly statistical bulletin with detailed data on mining production, exports, and market trends. The 2022 Annual Mining Report discloses comprehensive information on production, reserves, exports, investments, exploration, employment, and the sector's economic and social contributions. For the hydrocarbon sector, Perupetro's 2022 Annual Hydrocarbon Report provides data on production, reserves, and active contracts. The EITI Report includes a dedicated section on exploration and production within the</p>

	<p>mining and hydrocarbon sectors. This section provides an overview of exploration activities, including a list of active exploration contracts during the reporting period. Periodic updates on hydrocarbon production are available through MINEM and Perupetro's websites.</p>
<p>Contribution of the extractive sector to the economy (Requirement #6.3)</p> <p><i>Mostly met</i></p>	<p>The International Secretariat's assessment is that Requirement 6.3 is mostly met, which is a regression from the previous Validation. While the 2021-22 EITI Report and other sources outlined below provide an overview of the sector's economic contribution including government revenues, exports and employment in the mining sector, a gap remains in employment data for the hydrocarbon sector. This gap limits the full achievement of the requirement's objective, which is to provide the public with a comprehensive understanding of the extractive industries' contribution to the national economy and the extent of the country's dependence on natural resources. The Secretariat considers the objective of this requirement to be mostly fulfilled.</p> <p>The 2021-22 EITI Report provides the extractive industries' contribution, in absolute and relative terms, to GDP, government revenues and exports. The report provides the mining sector's contribution to employment in absolute terms and disaggregated by gender but only provides PeruPetro's employment, not employment in the whole oil and gas sector and not disaggregated by gender. In the MSG's comments to the draft Validation Report, they committed to providing employment data for the entire hydrocarbon sector, as opposed to figures representing only PeruPetro.</p> <p>The Anuario Minero 2022, provides a historical overview of mining investment by department and details the mining investment portfolio by project, company, location (departamento), project, and investment. It also includes data on direct mining employment, disaggregated by department and further broken down by gender.</p> <p>PeruPetro's 2022 Annual Statistics, provide an overview of the extractive industries' contribution to the national economy, covering production by location, reserves, active contracts, and exploration-phase contracts. In its 2023 sustainability report and our human capital report, Perupetro provides employment data disaggregated by gender.</p> <p>The EITI report provides includes a section on informal and small-scale and artisanal mining, including some information on illegal mining. It provides an overview of the sector's activity and its contribution to national production. The report on the trail of illicit gold proceeds by the department against transnational organized crime, along with the analysis on illegal mining by the Superintendencia further provide information on the impact of illegal mining impact on the national economy.</p> <p>The reports mentioned above provide valuable insights into the extractive sector's economic contribution, including government revenues, exports of the extractive sector and its percentage contribution towards total export of the country, number of employed people by gender and regions where production is concentrated. In comments to the draft Validation Report, MSG stakeholders committed to providing further disaggregated employment data by gender in future EITI reporting.</p>
New corrective actions and recommendations	

- In accordance with Requirement 6.3, Peru should disclose employment data for the hydrocarbon sector and further disaggregate employment data by gender. In doing so, the MSG could consider strengthening its collaboration with the Ministry of Work and Employment.

Legal environment and fiscal regime (Requirements 2.1, 2.4, 6.4)

Overview of progress in the module

Recent government reforms in the extractive industries address many issues that Peru faces in mining and oil and gas. In mining, the Peruvian government recognises the security and human rights threats posed by illegal mining while also acknowledging the revenue losses that stem from the illegal production and export of gold and to a lesser extent, other metallic minerals. The government's plan for [formalising illegal mining](#) aims to tackle these issues. In oil and gas, Perupetro remains the government's focal point in negotiating and maintaining oil and gas contracts with independent oil companies. Government reforms have taken significant steps to improve the quality and efficiency in awarding oil and gas contracts. In particular, these reforms clarified how legal and natural persons can associate with one another to bid on and negotiate oil and gas contracts. Concerning foreign legal persons applying for contracts, these reforms made it necessary for legal persons to establish a domestic subsidiary to be eligible for consideration, which should improve the collection of beneficial ownership information in oil and gas bid rounds.

Peru's Law on Transparency and Access to Public Information serves as government policy on citizens' access to public information, including licenses and contracts in the extractive sector. Peru does not have an extractive-specific set of laws mandating the disclosure of licenses and contracts but stakeholders did not consider such a law as necessary. Indeed, Peru's disclosure practices of extractive licenses and contracts are quite robust, with mining licenses and oil and gas contracts accessible to the public. Mining contracts, which often are agreed upon with the largest companies, contain information on mining companies' mandatory obligations for social and environmental expenditures and their public accessibility is important for citizens' full understanding of the responsibilities these companies have to communities where extractive activities occur.

Peru's rules and regulations related to managing environmental impacts of the extractive sector are well documented through government websites and EITI reporting. During the last two reporting cycles its scope has expanded to include other relevant areas such as climate change, greenhouse gas emissions and nationally determined contributions. While environmental regulations are clearly explained, the actual practice of disclosing environmental impact assessments appears to lag behind. Given the government's impetus to reform the illegal and illicit mining sector by 2030, a particular focus should be given by government to ensure that the unique environmental aspects of this kind of mining are considered.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement and assessment	Summary of progress in addressing the EITI Requirement
<p>Legal framework and fiscal regime (Requirement #2.1)</p> <p><i>Exceeded</i></p>	<p>The International Secretariat's assessment is that Requirement 2.1 is exceeded, which is an improvement from the previous Validation. The MSG's 'Transparency' template considers that the objective of ensuring public understanding of all aspects of the regulatory framework for the extractive industries is fulfilled. Consulted stakeholders did not express additional views on progress towards this objective. The International Secretariat considers the objective to be exceeded given that laws and policies related to the legal framework and fiscal regime are noted in EITI reporting and are systematically disclosed. Ongoing and recent reforms in the extractive sector are outlined in the 2021-2022 EITI Report.</p> <p>The legal and regulatory framework for the mining and hydrocarbon sectors is contained in the Mining Law and Hydrocarbon Law, respectively. In mining, the 2021-2022 EITI Report provides succinct descriptions of the legal framework and fiscal regime with clear reference to where these laws and regulations can be found on the government's digital information platform. There are clear laws for large-scale mining as well as small-scale and artisanal mining. In terms of modifications to rules and regulations in the period under review, the 2021-2022 EITI Report notes various changes to decisions related to mine closure, timing of the 'consulta previa' (prior consultation) and other social and environmental protections. Exploration and exploitation of mining rights are governed by concessions and these rights are clearly described in EITI reporting and on government websites. Likewise, the roles and responsibilities of relevant government entities are noted through EITI reporting.</p> <p>In the hydrocarbon sector, descriptions of the legal framework and fiscal regime are also found through EITI reporting, with the full text found on government websites. Modifications to rules and regulations in the oil and gas sector, noted in the 2021-2022 EITI Report, include modifications made by Supreme Court Decree 029-2021-EM to the regulations on the qualification of interests for oil and gas exploration and production. Exploration and exploitation of oil and gas rights are governed by licensing and service contracts where Petroperu is often involved. The roles and responsibilities of relevant government entities are noted through EITI reporting.</p> <p>Of note in the fiscal regime for the mining and hydrocarbon sectors is the widespread use of fiscal devolution. 'Canon' as it is called in Peru, consists of various subnational transfers (see <i>Requirement 5.2</i>) of extractive revenues to regions where these activities occur, including regions that host pipelines transporting crude oil and natural gas. These transfers support substantial investments in social services and infrastructure projects. Also particular to Peru is the Work for Taxes (<i>Obras por impuestos</i>) program (see <i>Requirement 4.3</i>) which provides companies from a wide range of industries the option to implement government-approved infrastructure projects, which are offset against the companies' Corporate Income Tax payments. EITI reporting details systematically disclosed information on recent reforms to this Work for Taxes system.</p> <p>These reform plans have taken the form of the National Multisectoral Policy for Small-scale and Artisanal Mining. Several government stakeholders consulted during</p>

	<p>the Validation mission highlighted these efforts as key to combatting informal mining. Several civil society and industry stakeholders also acknowledged the severity of the issue posed by illegal mining, with the former noting that much of the violence perpetrated against human and environmental rights defenders could be linked to illegal mining operations. Industry stakeholders noted the high presence of illegal activities in the production and sale of gold and its linkages to organised crime. Other reforms taking place during the assessment period are summarised through the 2021-2022 EITI Report. Links are not included in these summaries, but the Resolution and Supreme Court decision numbers are noted, allowing for readers to find the full text of these resolutions on government websites.</p>
<p>Contracts (Requirement #2.4)</p> <p><i>Fully met</i></p>	<p>The International Secretariat's assessment is that Requirement 2.4 is fully met. Based on comments provided in the template and feedback gathered through stakeholder consultations, most stakeholders considered that the objective has largely been fulfilled. From the Secretariat's perspective, Peru maintains good practice in terms of comprehensively publishing the full text of oil and gas contracts, including amendments, annexes and riders. Perupetro provides a complete list of all exploration and exploitation contracts. In mining, systematically disclosed lists of awarded mining concessions and investment contracts provide comprehensive coverage of active concessions and it is the Secretariat's understanding that concessions are pro forma. Stability contracts are disclosed and the Peruvian Agency for Private Investment (Proinversion) provides a list that includes all active contracts. Considering these factors, the objective of ensuring the public accessibility of all licenses and contracts underpinning extractive activities, as a basis for the public's understanding of the contractual rights and obligations of companies operating in the country's extractive industries, is fulfilled.</p> <p>Peru does not have a specific government policy on contract transparency. Consulted government stakeholders considered the 2019 Law on Transparency and Access to Public Information (LOTAIP) to sufficiently ensure that licenses and contracts can be published. These stakeholders noted that all oil and gas contracts and mining licenses are published under LOTAIP and a standalone law on contract disclosure was not necessary.</p> <p>Perupetro, as the state-owned enterprise (SOE) in the oil and gas sector, enters into license and service contracts with independent oil companies and also operates its own wells. Perupetro publishes the original contracts and what appears to be amendments, annexes and riders to contracts for each lot on its website. These publications include contracts entered into both before and after 1 January 2021 and fulfils the aspect of Requirement 2.4 that mandates full publication of contracts entered into or amended after the beginning of 2021. In 2021-2022, there were 25 active exploitation contracts and seven exploration contracts in 2021, with this figure dropping to six in 2022. Currently, there are 27 active exploitation contracts and five active exploration contracts.</p> <p>In mining, pro forma mining concessions are typically used to grant mining rights. The model mining concession is publicly available on the INGEMMET website and is also described through EITI reporting. The 2021-2022 EITI Report provides a list of all active mining concessions. This information is mirrored on the Institute for Geology, Mining and Metallurgy (INGEMMET) website and contains information on concessions awarded before and after 1 January 2021. Exploration investment contracts are also used in circumstances requiring significant investment at the exploration phase. These contracts offer certain incentives, such as tax offsets equivalent to sales tax paid on capital expenditures linked to exploration activities.</p>

	<p>The full text of these contracts is available on the Ministry of Energy and Mines (MINEM) website.</p> <p>Another important, though less-frequently used mode of granting mining concessions are Stability Contracts (Contrato de Garantía y Medidas de Promoción a la Inversión) are signed with mining companies that assure that the financial and economic terms agreed-upon at signing are maintained throughout the life of the contract. EITI reporting outlines the basic tenets of stability contracts and the Proinversion website provides a publicly available list to these contracts, with links to the full contract text.</p>
<p>Environmental impact (Requirement #6.4)</p> <p><i>Fully met</i></p>	<p>The International Secretariat's assessment is that Requirement 6.4 is fully met, recognising the efforts of Peru's MSG to address many encouraged aspects of this requirement. The MSG's 'Transparency template' considers that the objective of providing a basis for stakeholders to assess the adequacy of the regulatory framework and monitoring efforts to manage the environmental impact of extractive activities is fulfilled. At the same time, during consultations, government and civil society stakeholders raised concerns about various aspects of the regulatory framework and monitoring efforts that point to room for improvement in these areas. The International Secretariat's view agrees with that expressed during consultations that regulatory and disclosure efforts on environmental impact should be improved before this objective can be considered exceeded.</p> <p>The 2021-2022 EITI Report devotes significant space to explaining Peru's legal provisions and administrative rules related to environmental management, monitoring and impact of extractive investments. These explanations cite relevant legal statutes (with links to systematic disclosure) and responsible parties for Environmental Impact Studies (EIA), mine closure plans and other monitoring mechanisms used to assess the environmental impact of extractive activities. Aggregated figures on the number of each of these mechanisms are provided for 2021 and 2022. Helpfully, recent amendments and reforms to these regulatory instruments are also detailed through EITI reporting and focus on greenhouse gas emissions from the mining sector. Civil society actors have also conducted their own studies of the environmental impact of illegal mining, adding to the public knowledge around this matter.</p> <p>There have been significant efforts to outline the regulatory framework and monitoring efforts of the environmental impact of extractive activities and stakeholders offered numerous suggestions to improve these processes. Some consulted government stakeholders considered the environmental permitting process to be too complex and time-consuming, resulting in disengagement from extractive companies. A primary bottleneck identified by these stakeholders was the large number of government agencies involved in the permitting process. On the implementation side, many civil society stakeholders did not consider that legal provisions and administrative rules were respected in practice. They noted that a lack of public accessibility to the actual environmental impact assessments and mine closure plans of specific companies prevented their full understanding of companies' environmental obligations during production, and after commercial viability had ceased.</p> <p>Despite the detailed information on environmental monitoring procedures and aggregate figures of studies per type and region, it does not appear that the studies themselves are systematically published, although this is not a mandatory aspect of Requirement 6.4. In addition, the 2021-2022 EITI Report, as a public source of</p>

	reference, should ensure that links leading to further information on environmental impact, including the studies themselves, are stable and working.
New corrective actions and recommendations	
<ul style="list-style-type: none"> To strengthen implementation of Requirement 2.1, the MSG is encouraged to include links to government websites responsible for oversight of the mining and oil and gas sectors in EITI reporting. To strengthen implementation of Requirement 2.4, Peru MSG could ensure that the comprehensive lists of all active contracts in the oil and gas and mining sectors include links to where these contracts are publicly accessible. To strengthen implementation of Requirement 6.4, Peru could disclose company-specific information on regular environmental monitoring procedures and administrative and sanctioning processes. Considering stakeholder feedback, further reporting on environmental liabilities and rehabilitation and remediation programmes at the company level could also help to inform communities on how well companies are adhering to their environmental obligations. Peru, with the help of the Ministry of the Environment, should strive to publish all environmental impact assessments. 	

Licenses and property rights (Requirements 2.2, 2.3)

Overview of progress in the module

Information on the allocation of contracts and licenses, including many of their key data points, is provided through government websites and is largely up to date. The central government has maintained good practice in this area since the previous Validation. MSG comments clarified the processes used in license and contract transfers, but actual figures on the number of transferred licenses could be more readily available. At the subnational level, regional governments oversee the award of artisanal and small-scale mining licenses. Considering the high levels of illicit gold production stemming from this sector, the MSG could perform an analysis to determine whether license awards follow statutory procedure to identify gaps and revenue leakages that could supplement subnational budgets.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement and assessment	Summary of progress in addressing the EITI Requirement
Contract and license allocations (Requirement #2.2)	The International Secretariat's assessment is that Requirement 2.2 is mostly met, which is a regression from the previous Validation. The MSG's 'Transparency' template considers the objective of transparency in licensing practices is mostly fulfilled. Consulted stakeholders did not express particular views on the fulfilment of the objective. The International Secretariat considers that, with the additional information

Mostly met	<p>provided through stakeholder consultations, the objective of this requirement is mostly fulfilled.</p> <p>In the mining sector, information about the process for awarding licenses, including technical and financial criteria, and contracts is clearly documented through EITI reporting and on government websites. The Institute for Geology, Mining and Metallurgy (INGEMMET) is responsible for processing licensing requests on a first come, first served basis.⁴ Consulted government stakeholders confirmed that a first come, first served system is the only method for awarding mining licenses. In their comments to the draft Validation Report, the MSG clarified the process for mining license transfers, mining suspension and mining cessation, noting that these laws and regulations are found in the General Mining Law. Technical and financial criteria for mining license transfers is clearly documented in these laws and regulations. MSG comments to the draft Validation Report explained that actual transfers that occurred in the period under review, including the identity of the license and its recipients, is publicly available through the SUNARP online portal, upon request. These stakeholders noted that they will consider detailing this information in future EITI reports for ease of access.</p> <p>While less prevalent than mining licenses, there are also Guarantee Contracts for the Promotion of Investment in the mining sector that can be awarded through direct negotiation to large-scale mining projects above USD 20 million. The process for the award of these contracts is available on the Ministry of Energy and Mines (MINEM) website and is briefly summarised through EITI reporting, although it does not appear that the 2021-2022 EITI Report notes recent modifications to these regulations. EITI reporting could be used to summarise these modifications to regulations governing stability contracts described through MINEM publications. MSG comments to the draft Validation Report confirmed the International Secretariat's understanding that the transfer of mining contracts is between private individuals and outside the remit of mining authorities' approval. These comments confirmed that there were no transfers of mining contracts in 2022.</p> <p>In terms of mining license allocations in 2022, systematic disclosures through the MINEM mirror information found in the 2021-2022 EITI Report and 'Transparency' template, reporting the award of 3,739 mining titles. Information on the award of mining titles is available for previous years and also include basic data on sustainability contracts entered into with mining companies and the expected date that these activities will begin. Available documentation and stakeholder consultations did not comment on the efficiency and effectiveness of licensing procedures, which is encouraged. In terms of non-trivial deviations from statutory procedure, government stakeholders indicated that there was a system in place to ensure that awards adhered to regulations without indicating what this system was. The MSG did not communicate their view on the robustness of the assessment of deviations. There is no information available on the review of the transfers of licenses.</p> <p>License allocation in the artisanal and small-scale mining (ASM) sector is under the purview of the Regional Directorate for Energy and Mines, as noted in successive EITI Reports. There is little information on license allocations in this sector for the period under review other than an explanation of the concession size that indicates it as an ASM mining area. During consultations, government stakeholders noted that many</p>
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⁴ It should be noted that the Law for Artisanal and Small-Scale Mining (Ley MAPE) devolves licensing powers to subnational regions. The 2021-2022 EITI Report explains this law, and recent amendments, with a link to the full text of this law on the Ministry of Justice and Human Rights [website](#).

	<p>subnational governments do not have the personnel or technical capacity to properly handle ASM license allocation tasks. Links to where information can be found in ASM license allocations and transfers in the period under review do not appear to be available.</p> <p>In the oil and gas sector, information about the process for awarding contracts, including the technical and financial criteria, is described on Perupetro's website and in the 2020-2021 EITI Report. Additional information on technical and financial criteria can be found in the regulations associated with the Hydrocarbon Law. Perupetro is charged with negotiating oil and gas contracts with international oil companies (IOCs). These contracts can take the form of license contracts, service contracts and other types of related contracts, such as transport contracts and are entered into through direct negotiation and competitive bidding. Processes used in competitive bidding are clearly outlined on Perupetro's website and a list of approved bidders can be found on the SOE's website as well. This list, however, is incomplete without a full list of bidders, including those that were not selected. EITI reporting does not clearly indicate the procedure for transferring oil and gas contracts but consulted government stakeholders clarified that these are allowed and conducted through Supreme court decrees. It is not clear whether such transfers took place in the period under review. While there are clear technical and financial criteria used in the award process, government stakeholders confirmed during consultations that there is no weighting of these criteria during the transfer of oil and gas contracts.</p> <p>The 2021-2022 EITI Report notes that there was one production contract awarded in 2021 and zero contracts awarded in 2022. Up to date figures on oil and gas exploration and production contracts can be found on Perupetro's website (here) and includes active contracts entered into before EITI implementation began in Peru. Data related to oil and gas contract transfers in the period under review does not appear to be available. Available documentation and stakeholder consultations did not comment on the efficiency and effectiveness of contracting procedures.</p>
<p>Register of licenses (Requirement #2.3)</p> <p><i>Mostly met</i></p>	<p>The International Secretariat's assessment is that Requirement 2.3 is mostly met, which is a regression from the previous Validation. The MSG's 'Transparency' template considers the objective of transparency in extractives property rights to be fulfilled, as did consulted government stakeholders. The International Secretariat considers that the objective is mostly fulfilled as expiration dates are not included in the oil and gas register. Likewise, license duration in the mining sector could be more clearly explained. In the MSG's comments to the draft Validation report, stakeholders committed to including more information on license and contract duration and expiry.</p> <p>In the mining sector, the System for Mining Rights and Cadastre (SIDEMCAT) and the Mining Cadastre Map (GEOCATMIN) both serve as systematic disclosure points for information on property rights related to extractive deposits and projects. It appears that this cadastre and map cover all active licenses and contracts, including those held by material companies and those classified as artisanal and small-scale. Successive EITI Reports have also included much of the required information on active licenses and mining contracts in annex for ease of reference, which summarises annual MINEM publications of exploration and mining investment projects. Information regarding the name of license holders, license coordinates date of application, award, duration and commodity produced are available through these sources and in the linked full text of mining licenses. In terms of duration, Article 10 of the Mining Law notes that mining concessions are granted in perpetuity as long as the concessionaire continues to fulfil all obligations, namely the payment of derecho de vigencia. Monitoring of derecho de vigencia payments is publicly accessible, as is a list</p>

	<p>of cancelled licenses due to non-payment. In the MSG's comments on the draft Validation Report, Peru MSG confirmed the International Secretariat's understanding and added that concessionaires are also required to demonstrate continued minimum production at the concession. Lack of fulfilment of these aspects could lead to state-imposed penalties, and in severe cases, the rescission of the concession.</p> <p>In the oil and gas sector, Perupetro hosts an online viewing platform that is complimented by the SOE's up to date list of contracts by lot. Combined, these two sources provide information on all active oil and gas contract holders, including those considered material and included in the scope of the 2021-2022 EITI Report. License holder names are listed, including share of participating interest, and license coordinates are found in the full text of each contract. Date of application and award are clear for contracts listed and EITI reporting provides expiration dates for all production contracts. For the five contracts in exploration phase, however, expiration dates are not clearly indicated. The commodity associated with each oil and gas production contract can be found in the full text of these contracts, but EITI reporting could include additional information on commodity for each contract.</p>
<p>New corrective actions and recommendations</p>	
<ul style="list-style-type: none"> • In accordance with Requirement 2.2, Peru should ensure that figures and the identity of legal owners related to license and contract transfers in a given year are published. The MSG should work directly with SUNARP to obtain this information. In oil and gas, a full list of applicants and bidders participating in bid processes should be disclosed for each bid round. Peru is required to assess any non-trivial deviations from statutory procedures in practice. The multi-stakeholder group may wish to include additional information on the allocation and transfer of licenses and contracts as part of the EITI disclosures, which could include commentary on the efficiency and effectiveness of licensing procedures. Peru is also strongly encouraged to assess artisanal and small-scale license allocations and transfers in future EITI reporting. This assessment should include an overview of whether there have been non-trivial deviations from statutory procedure. • In accordance with Requirement 2.3, Peru should ensure that expiration dates are clearly noted for all active oil and gas exploration and exploitation contracts. Peru MSG is encouraged to use EITI reporting to summarise key aspects of active license and contracts, such as expiration dates of licenses and contracts in the mining sector. 	

Beneficial ownership (Requirement 2.5)

Overview of progress in the module

Adherence to Requirement 2.5 on beneficial ownership is assessed in full in Validation as of 1 January 2022 as per the framework agreed by the Board in June 2019.⁵ The assessment consists of a technical assessment and an assessment of effectiveness.

Technical assessment

The technical assessment is included in the Transparency template, in the tab on Requirement 2.5. The assessment shows that Peru has established an enabling legal and regulatory environment for the collection of beneficial ownership information from companies in the

⁵ <https://eiti.org/document/assessing-implementation-of-eitis-beneficial-ownership-requirement>.

extractive sector excluding provisions allowing for the public disclosure of this information. Consulted government stakeholders doubted that this information could be publicly divulged in the short to medium term.

Peru had made significant progress in establishing a legal and regulatory framework, including establishing definitions of beneficial ownership and politically exposed persons, before the previous Validation (2019). However, it does not appear that progress has been maintained, particularly in advocating for the public disclosure of this information. The 2021-2022 EITI Report was not used to request beneficial ownership information from companies participating in the EITI process. While legal ownership information is available through the [National Superintendence of Public Registries](#) (SUNARP), the 2021-2022 EITI Report was not used to document this information as it relates to material extractive companies.

Assessment of effectiveness

Neither the MSG nor any government entity has yet published an assessment of the comprehensiveness and reliability of beneficial ownership data collection to date. Peru's latest financial action task force (FATF) [assessment](#) from January 2020 details some of the steps taken in 2018 and 2019 to improve the reporting and reliability of beneficial ownership information. Key steps include requirements to keep beneficial ownership up to date and for the National Superintendency of Customs and Tax Administration (SUNAT) to cross-reference reported beneficial ownership information with other government databases, such as the National Superintendence of Public Registries (SUNARP) and the Unique Register of Contributors (RUC). These improvements, among others, caused FATF to change its rating of Recommendation 24 – Transparency of Legal Persons and Arrangements from 'partially compliant' to 'largely compliant'. Peru continues to strengthen beneficial ownership data collection processes, with the 2022 SUNAT [resolution](#) clarifying the scope of subjects required to report and a clear methodology for reporting. Further efforts in the disclosure of beneficial owners, especially those considered politically exposed persons (PEP), is particularly relevant in Peru's case given the possible existence of PEPs as beneficial owners of artisanal and small-scale mining concessions.

During consultations, some government stakeholders expressed doubt when asked whether they thought that the beneficial ownership registry could be made public in the short to medium-term. More realistic expectations noted by these stakeholders include improved data sharing between government entities and public access to the legal ownership registry. Peru's MSG stands as a prime conduit for facilitating discussions around beneficial ownership transparency and could be better utilised to move these conversations forward.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement and assessment	Summary of progress in addressing the EITI Requirement
Beneficial ownership (Requirement #2.5)	The International Secretariat's assessment is that Requirement 2.5 is partly met. The MSG's 'Transparency' template considers that the objective of enabling the public to know who ultimately owns and controls the companies operating in the country's extractive industries is not fulfilled. The Secretariat's view concurs with the MSG's self-assessment. While beneficial ownership data is collected by government agencies,

Partly met	<p>there is no public access to this information and some consulted government stakeholders cast doubt on whether public accessibility was possible in the short to medium term.</p> <p>Peru MSG does not use the 2021-2022 EITI Report to provide an overview of beneficial ownership work by the MSG to date. The latest EITI Report provides reference to the previous 2019-2020 EITI Report that outlines what were at the time, recent actions by government to improve the legal and regulatory framework for the collection of beneficial ownership data by government. The Secretariat commends the prior work done by Peru MSG and government officials around beneficial ownership transparency but laments the missed opportunity to use the 2021-2022 EITI Report to disclose this information for companies participating in EITI reporting.</p> <p>Various norms have been passed in the last decade to strengthen Peru's understanding and oversight of ultimate beneficial owners. The National Superintendency of Customs and Tax Administration (SUNAT) is charged with collecting beneficial ownership information from all companies, as beneficial ownership laws apply across all business sectors. These laws contain a definition of beneficial owner that includes a threshold (10%) for reporting as well as a definition for politically exposed persons (PEP) with penalties for late or absent reporting. Beneficial ownership laws do not extend to the public disclosure of this information. During consultations, the International Secretariat was informed by multiple government stakeholders that these beneficial ownership laws do not extend to foreign companies that hold extractive concessions, potentially pointing to an area for improvement. These stakeholders noted that while foreign companies that are awarded concessions are then required to form a domestic subsidiary, information sharing does not extend to reporting foreign beneficial ownership and PEP information. Instead, an affirmation from the company's headquarters of the applicable anticorruption clause is deemed sufficient.</p> <p>The 2021-2022 EITI Report does not provide evidence of MSG discussion around beneficial ownership as a country priority or for those companies participating in EITI reporting. The Secretariat understands that many companies operating in Peru's extractive sector are publicly listed, but the EITI Report does not provide an overview of where citizens can find respective stock exchange filings that could shed light on the ultimate owners of these companies. Consultations with the Independent Administrator revealed that beneficial ownership information was not requested from companies participating in the EITI reporting cycle. Legal ownership for participating companies is publicly available through Register of Legal Persons managed by the National Superintendence of Public Registries (SUNARP).</p>
New corrective actions and recommendations	
<ul style="list-style-type: none"> In accordance with Requirement 2.5, Peru should ensure public disclosure of beneficial owners of all companies and individuals that apply for or hold a participating interest in an oil, gas or mining exploration or production license or contract. Peru is encouraged to establish a publicly accessible register of beneficial owners, at least for the extractive sector. Peru is required to document the government's policy and multi-stakeholder group's discussion on disclosure of beneficial ownership. This should include details of the relevant legal provisions, actual disclosure practices and any reforms that are planned or underway related to beneficial ownership disclosure. Information that is publicly disclosed about the identity of the beneficial owner should include the name of the beneficial owner, the nationality, and the country of residence, as well as identifying any politically exposed persons. The multi-stakeholder group should assess any existing mechanisms for assuring the reliability of beneficial ownership information and agree an 	

approach for corporate entities within the scope of 2.5(c) to assure the accuracy of the beneficial ownership information they provide. Peru should also ensure that legal owners of all companies holding extractive licenses are publicly accessible.

State participation (Requirements 2.6, 4.2, 4.5, 6.2)

Overview of progress in the module

Peru maintains good practice in the systematic disclosure of state-owned enterprise audited financial statements. These statements and other publications such as annual reports and sustainability reports provide public access to ongoing state activities throughout the extractive value chain. The use of EITI reporting to examine pertinent issues, such as Perupetro's and Petroperu's entrance into production contracts linked to the Talara refinery, has diminished in recent years. While government disclosures around SOEs are fundamental, Peru MSG is expected to form a view about whether the practices as reflected in the annual financial statements correspond to the rules under which SOEs operate. Further discussion could centre around areas such as debt servicing and recent developments in SOE-operated oil and gas operations. To aid in understanding the full value chain of extractive payments, EITI reporting should supplement systematic government disclosures to publish company-level payments of the government's share of production from the largest operators in the country.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement and assessment	Summary of progress in addressing the EITI Requirement
State participation (Requirement #2.6) <i>Mostly met</i>	<p>The International Secretariat's assessment is that Requirement 2.6 is mostly met, which is a regression from the previous Validation. The MSG's 'Transparency' template considers the objective of ensuring an effective mechanism for transparency and accountability for well-governed state-owned enterprises (SOE) and state participation more broadly is fully met. Stakeholders consulted did not express particular views on the objective of this requirement, although the International Secretariat considers that the objective is mostly met, given weaknesses in the MSG's review of the practices of SOEs' financial relations with the state beyond the SOEs' publications of their own financial statements.</p> <p>The 2021-2022 EITI Report confirms that state participation in the oil and gas sector gives rise to material payments from two SOEs – Perupetro and Petroperu. The former, Perupetro, engages in hydrocarbon production and collects payments from international oil companies that operate wells in Peru. The latter, Petroperu, participates in the transportation of hydrocarbon products. While there are not direct discussions on the materiality of the payments of these SOEs, the International Secretariat is not concerned about the exclusion of other potential SOEs in the oil and gas sector.</p>

	<p>The 2021-2022 EITI Report does not describe the statutory financial relations between oil and gas SOEs and the state but does refer to the 2019-2020 EITI Report that provides further information, including links to government sources. Perupetro and Petroperu are governed by the 2005 Hydrocarbon Law, which details the financial relations between these SOEs and the state. Provisions on transfers of funds to the state, retained earnings, reinvestment and third-party financing are described through this law. Consulted government stakeholders confirmed the arrangement by which oil and gas SOEs are able to retain funds to apply to overhead costs but that all other revenues must be transferred to the state.</p> <p>In practice, EITI reporting contains limited information on Perupetro's financial relations with the state outside of aggregate figures on revenues received in the form of royalties and from its own sales of hydrocarbons from wells operated by the SOE. Audited financial statements from Perupetro, however, provide more detailed information on the transfer of funds from Perupetro to the state (including statutory transfers to the Ministry of Energy and Mining (MINEM) and the Supervisory Agency for Investment in Energy and Mining (OSINERGMIN)), retained earnings and reinvestment. While it is not clear whether Perupetro's financial statements note third-party financing and debts serviced by the SOE, its 2022 Sustainability Report indicates that the company is self-sustaining and does not receive outside financial assistance.</p> <p>Peru's other oil and gas SOE, Petroperu, also publishes audited financial statements that contain information on the transfer of funds to the state, retained earnings and reinvestments. Petroperu, provides detailed information about third-party financing and debt servicing (including repayment schedule and interest rate) in annex to its financial statements. These data are of particular importance given media reports of Petroperu's outstanding loans to government. The Secretariat commends Perupetro and Petroperu for the consistent publication of audited financial statements. There is no evidence, however, that the MSG reviewed these financial statements to provide an annual diagnostic of adherence to statutory rules governing oil and gas SOEs' financial relation with the state.</p> <p>With regards to state participation in oil and gas companies and projects, Peru's EITI reporting and a review of SOE financial statements note that Perupetro and Petroperu are 100% state-owned. It is the International Secretariat's understanding that Perupetro does not have ownership of subsidiary companies and that due to the contractual regime present in the upstream oil and gas sector, does not hold participating interests or equity stakes in extractive projects outside of those which it operates directly. Petroperu, on the other hand, possesses numerous wholly owned subsidiary companies, including the Talara Refinery, which has been linked to the SOE's indebtedness. These subsidiary companies are detailed through its 2022 annual report. Due to its position in the midstream sector, Petroperu has not historically held participating interests or equity stakes in extractive projects. However, as of October 2023, Perupetro and Petroperu jointly operate two lots in the Talara field.</p> <p>Regarding the encouraged aspects of Requirement 2.6.c, Perupetro and Petroperu provide detailed information related to rules governing operating and capital expenditures and corporate governance.</p> <p>In the mining sector, there are no SOEs involved in the production or sale of mineral commodities, but Activos Mineros (AMSAC), takes part in environmental remediation activities once a mine has reached the end of its commercial life. AMSAC receives the majority of its funding from the Ministry of Energy and Mines (via the National Budget) and is under the scope of the National Fund for Financing State Business Activities</p>
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	<p>(FONAFE). AMSAC also receives payments from mining companies operating under Transfer Contracts, which contain contractual obligations for investment projects. The Las Bambas project represents the majority of contractual payments flowing to AMSAC. The reconciliation of revenue flows related to AMSAC is a clear improvement from the previous Validation.</p> <p>AMSAC's statutory financial relations are described in previous EITI Reports and also through their annual sustainability reports. Statutory rules and practices regarding transfer of funds between the state and AMSAC are clearly described in these sustainability reports. Details on how AMSAC invests proceeds are detailed and it is the Secretariat's understanding that AMSAC is not able to retain earnings or engage in third-party financing. AMSAC does not have ownership over other mining companies nor participation in extractive projects and has remained wholly owned by the state. In the MSG's comments to the draft Validation Report, they expanded on the role of AMSAC, which also supports the promotion of private investment both the extractive sector, and more broadly.</p> <p>Regarding the encouraged aspects of Requirement 2.6.c, AMSAC provides detailed information related to rules governing operating and capital expenditures and corporate governance.</p>
<p>Sale of the state's in-kind revenues (Requirement #4.2)</p> <p><i>Partly met</i></p>	<p>The International Secretariat's assessment is that Requirement 4.2 is partly met, as opposed to being considered 'not applicable', as in the previous Validation. The MSG's 'Transparency' template considers that this requirement remains 'not applicable', but the Secretariat considers that the objective of transparency in the sale of in-kind revenues of oil and gas is not fulfilled given that Perupetro's audited financial statements indicate that Savia Peru S.A. made in-kind payments in the period under review.</p> <p>The previous Validation considered that Requirement 4.2 was 'not applicable' but included a corrective action requesting specific attention be paid to whether Savia Peru S.A.'s operation of Block Z-2B led to material payments. Coincidentally, Perupetro's audited financial statements reported that payments to the SOE from this Block were made in-kind. The financial statements indicated that this is the only Block/company that made in-kind payments in the year under review. Savia's operation of Block Z-2B is unique in that it was (expired in November 2023) the only remaining Services Contract in effect in the country. While Savia operated another contract, this is a License Contract. The 2021-2022 EITI Report is an improvement upon the corrective action to evaluate Savia's materiality. EITI reporting indicates that Savia is indeed a material company (~7% of petroleum production in 2022). Perupetro's financial statements indicate that Savia is in the process of closing its other operation in Block Z-6, which could indicate that the majority of the production comes from Block Z-2B. Given the potential of the in-kind payments made by Savia for Block Z-2B to be material, Peru MSG and the Independent Administrator should address these payments in the context of Requirement 4.2.</p>
<p>Transactions related to state-owned enterprises (Requirement #4.5)</p>	<p>The International Secretariat's assessment is that Requirement 4.5 is mostly met. The MSG's 'Transparency' template states that this requirement is 'not applicable' but that required information, outside of financial support from the state, is available through the data collection exercise undertaken by the Independent Administrator. The Secretariat considers that the objective to ensure the traceability of payments and transfers involving SOEs and to strengthen public understanding of whether revenues accruable to the state are effectively transferred to the state and of the level of state financial support for SOEs is mostly fulfilled given that company payments to Petroperu</p>

<p><i>Mostly met</i></p>	<p>are only provided in aggregate and there is opportunity to improve data granularity through company-level disclosure.</p> <p>Payments received by AMSAC, whether by government or private companies, are fully disaggregated. Perupetro's audited financial statements provide aggregate company payments by revenue stream, but not by individual company. Additional publications found on Perupetro's website provide additional information on payments by individual contract. Petroperu, however, only reports company payments in aggregate, by revenue stream. This limits the public's ability to fully understand transactions between private companies and this oil and gas SOEs.</p> <p>With regards to SOE transfers to government, the 2021-2022 EITI Report and audited financial statements of Perupetro and Petroperu clearly show payments and transfers to government. AMSAC, in its capacity in environmental remediation, receives payments from government and private companies and does not make transfers to government.</p> <p>Government transfers to SOEs are clearly documented through SOE financial statements. Perupetro's audited financial statements indicate that the company is self-sustaining and did not receive financial assistance from the state. Petroperu, on the other hand, has received substantial financial assistance from the state and documents the terms and payment modalities, as well as account status, for these loans through their audited financial statements. In mining, AMSAC's audited financial statements show the transfers that the SOE receives from the Ministry of Energy and Mines.</p>
<p>Quasi-fiscal expenditures (Requirement #6.2)</p> <p><i>Not applicable</i></p>	<p>The International Secretariat's assessment is that Requirement 6.2 remains not applicable. The MSG's 'Transparency' template also indicates that this requirement should be not applicable, but the Secretariat did not find documented discussion of this requirement in either the 2021-2022 EITI Report or in MSG meeting minutes to provide evidence that this requirement remains not applicable.</p> <p>Peru's subnational transfer system (see <i>Requirement 5.2</i>) and Work for Taxes (Obras por impuestos) (see <i>Requirement 4.3</i>) arrangements provide many of the services and accomplish many of the infrastructure goals that are often carried out through quasi-fiscal expenditures in other countries. While not always the case, quasi-fiscal expenditures are often used in place of direct government financing when central governments decide not to finance these activities through the national budget. Subnational transfers are clearly documented and reflected in the national budget and are therefore not considered under Requirement 6.2.</p> <p>In terms of Work for Taxes arrangements, the Secretariat's opinion is that these infrastructure projects do not qualify as quasi-fiscal expenditures (even when carried out by extractive SOEs) because 'payment' comes in the form of Corporate Income Tax offsets that do not qualify as off-budget expenditures in the national budget. Consulted government stakeholders added that information on these offsets can be found through monthly publications on the Ministry of Economy and Finance website.</p>
<p style="text-align: center;">New corrective actions and recommendations</p>	
<ul style="list-style-type: none"> In accordance with Requirement 2.6, Peru should ensure public disclosures from SOE's of the terms attached to their participation in oil and gas projects, including their level of responsibility for covering expenses at various phases of the project cycle. Where there have been changes in the level of SOE ownership during the EITI reporting period, SOEs are required to disclose the terms of the transaction, including details regarding valuation and revenues. To strengthen implementation, Peru could consider using its EITI reporting as a diagnostic of the rules and 	

practices related to material SOEs' operating and capital expenditure management, procurement, subcontracting and corporate governance.

- In accordance with Requirement 4.2, Peru should ensure disclosure of the volumes of in-kind revenues received and sold by the state, the revenues received from the sale and the revenues transferred to the state from the proceeds of the oil and gas sold. The published data must be disaggregated by individual buying company and to levels commensurate with the reporting of other payments and revenue streams in accordance with Requirement 4.7. To strengthen implementation, Peru is encouraged to disclose a description of the process for selecting the buying companies, the technical and financial criteria used to make the selection, the list of selected buying companies, any material deviations from the applicable legal and regulatory framework governing the selection of buying companies, and the related sales agreements. Where there are concerns related to data reliability and where practically feasible, the multi-stakeholder group should consider further efforts to address any gaps, inconsistencies and irregularities in the information disclosed.
- In accordance with Requirement 4.5, Peru should use its EITI disclosures to ensure the traceability of payments and transfers involving SOEs and strengthen public understanding of whether revenues accruable to the state are effectively transferred to the state. Peru should request material companies to disclose their payments to SOEs to fill gaps in company-level disclosure of this information in Petroperu's audited financial statements.
- To strengthen implementation of Requirement 6.2, Peru MSG is encouraged to discuss and document whether this requirement remains 'not applicable' in upcoming EITI Reports.

Production and exports (Requirements 3.2, 3.3)

Overview of progress in the module

Oversight of metallic and non-metallic mineral production and export is a key area of focus for Peru. Large-scale, formal, extractive activities in the country provide sufficient information for a public understanding, but illicit and informal activities are less clear. Government stakeholders, through the National Multisectoral Policy for Small-scale and Artisanal Mining, aim to formalise this sector by 2030. This aim will require buy-in from a wide range of government and industry stakeholders, which could prove challenging. Nevertheless, the large portion of gold production, among other solid minerals, that takes place through informal means could represent significant revenue leakages at both the national and subnational level. Considering potential linkages to organised crime and corruption, Peru MSG could use EITI reporting to perform a risk-based analysis in key areas of the country where illegal gold production is most pronounced.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement and assessment	Summary of progress in addressing the EITI Requirement
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<p>Production (Requirement #3.2)</p> <p><i>Fully met</i></p>	<p>The International Secretariat's assessment is that Requirement 3.2 is fully met, which is a regression from the previous Validation. The MSG's 'Transparency' template considers that the objective of ensuring public understanding of extractive commodity production levels and the valuation of extractive commodity output is fully met, which was echoed by government stakeholders consulted for this Validation.</p> <p>In the mining sector, the Ministry of Energy and Mines (MINEM) produces monthly and annual reports with information on production levels and the valuation of all mineral commodities. The 2021-2022 EITI Report reflects information found on government websites and figures reported by government broadly align with third-party sources, such as USGS survey data. Production volumes are further disaggregated by region and company, although not by project, which is encouraged. EITI reporting adds context to production volumes over time by explaining trends from year to year. Government publications discuss global trends affecting the valuation of different mineral commodities, but it is not clear whether these prices reflect the value of production of these minerals in Peru's country context. During consultations, government stakeholders noted that there is a system in place to ensure the reliability of values associated with production but did not elaborate further. Additional information related to the calculation of production values in the mineral sector was not provided during the MSG commenting period.</p> <p>Concerning encouraged aspects of Requirement 3.2, the Secretariat did not find documented discussion on the reliability of production information, although this does not affect the overall assessment and sources of production data are clearly indicated. On the other hand, government sources provide estimates of artisanal and small-scale production (which mainly takes place in four main regions of Peru: Madre de Dios, Puno, Piura and Arequipa) and discusses ongoing efforts to further formalise illegal mining operations. From available disclosures, it is not clear whether Peru MSG considers government estimates of artisanal and small-scale mining to conform with international data standards and methodologies for calculating extractive commodity production data.</p> <p>In the oil and gas sector, Perupetro produces regular reports on production levels of petroleum and natural gas and includes year-on-year pricing information from a variety of international sources. Production volumes are further disaggregated by region, company and project (lot). Average production by producer in shared lots is provided through EITI reporting and systematic disclosure. Variations on production from one year to another are given context through EITI reporting, which summarises the systematically disclosed information.</p> <p>Concerning encouraged aspects of Requirement 3.2 aimed to strengthen implementation of the requirement, such as documented conversations on the reliability of production information, is not discussed in government sources or through the 2021-2022 EITI Report.</p>
<p>Exports (Requirement #3.3)</p> <p><i>Fully met</i></p>	<p>The International Secretariat's assessment is that Requirement 3.3 is fully met, as in the previous Validation. The MSG's 'Transparency' template considers that the objective of ensuring public understanding of extractive commodity export levels and the valuation of extractive commodity exports is fulfilled. Consulted government stakeholders did not express particular views on the fulfilment of this</p>

	<p>objective but the International Secretariat agrees with the MSG's view that the objective is fulfilled.</p> <p>In the mining sector, the Ministry of Energy and Mines (MINEM) publishes annual reports detailing the volumes and values of mineral exports by commodity. Artisanal and small-scale contributions to overall exports are included in export totals but are not disaggregated to provide a detailed understanding of ASM contributions to overall exports. The 2021-2022 EITI Report reflects information found on government websites and provides clear links to where this information can be found. There is brief discussion of the methods used to calculate mineral export values. While only encouraged by Requirement 3.3, mineral exports are not further disaggregated by state/region of origin, company or project.</p> <p>In the oil and gas sector, Perupetro, in collaboration with the National Data Centre and Ministry of Energy and Mines, provides annual publications detailing the volumes and values of exports by commodity. The 2021-2022 EITI Report reflects information found on government websites and provides clear links to where this information can be found. While export values are provided with links to sources of export data, the methodology behind how these values are calculated is not provided. While only encouraged by Requirement 3.3, oil and gas exports are not further disaggregated by state/region of origin, company or project.</p> <p>Other encouraged aspects of Requirement 3.3, such as reporting on the reliability of export information does not appear to be documented in government disclosures or through EITI reporting for either mining or oil and gas. On the other hand, sources of export data and how export data is calculated are discussed in government disclosures. EITI reporting and government disclosures devote significant attention to the presence of illegal mining in Peru but do not provide estimates of contributions to export data from this sector. Consulted industry stakeholders consider that approximately 40% of gold production in Peru stems from illegal sources. Given the significance of illegal mining, it is important for EITI Reports and government publications to provide estimates, including those produced by third parties, for public reference.</p>
New corrective actions and recommendations	
<ul style="list-style-type: none"> • To strengthen implementation of Requirement 3.2, Peru should ensure public disclosures and explanations of how mineral commodity values are calculated, clearly distinguishing between international market prices used in exports and production values used by mining companies. Project-level reporting of production volumes and values would bolster public debate around the use of canon and other revenues tied to these figures. To strengthen implementation, Peru is encouraged to include sources and the methods for calculating production volumes and values in mining. • To strengthen implementation of Requirement 3.3, Peru could disaggregate export volumes and values by region of origin, company and project. To ensure public understanding of extractive commodities' export levels, Peru should ensure that credible estimates of informal mineral exports be included in its EITI reporting. This data could also include methods for calculating export values. 	

Revenue collection (Requirements 4.1, 4.3, 4.4, 4.7, 4.8, 4.9)

Overview of progress in the module

In Peru, the value of production has been used as a proxy for determining the size of payments. During Peru's first Validation, this approach was accepted due to the coverage of payments but was deemed less than optimal for identifying material payment types. In its second Validation, Peru was assessed as making progress in addressing the corrective actions. The 2015–2016 EITI Report included an explicit assessment by the Independent Administrator, following the EITI Board's Standard Terms of Reference. The MSG also implemented recommendations to include additional non-material revenue streams as contextual information. While reconciliation coverage was considered high, the International Secretariat raised concerns over the likeness of a reporting company with a low value production and substantial income tax payments, noting that production values did not always align with significant tax payments. This inconsistency highlighted a potential reporting gap. To strengthen the materiality assessment, the 2018 Validation recommended Peru to ensure that no material payments were excluded and indicated that this could be achieved by asking relevant government authorities to confirm that no payments above a specific threshold were left out of the analysis.

The two last EITI Reports (VIII and IX), covering 2019-2020 and 2021-2022 respectively, were based on a conventional reconciliation of company payments and government revenues. Peru has made significant progress in refining its scoping methodology, ensuring no material companies were omitted from the analysis. In the latest report, 51 material companies participated, and the tax authority confirmed that no companies outside the scope were paying more than 3% of total income tax. Additional revenue streams, previously included as contextual information, were also made subject to reconciliation. Peru has also leveraged its EITI implementation to establish an online reporting system, allowing government entities and companies to submit data more efficiently. Moving forward, the development of an online platform is expected to further streamline the process in the next reporting cycle.

There were no new barter-type infrastructure provisions in Peru's extractive industries in the period under review. Peru systematically discloses information on revenues from the transit of crude oil through the 1,106-kilometer Norperuano Pipeline in PetroPeru's financial statements. However, the MSG is yet to determine and document its definition of materiality with regards to transportation revenues, including disaggregation by company and revenue stream. Norperuano pipeline faces significant challenges, including operational and financial difficulties, resulting in recurrent losses. In 2022 stoppages, oil production in the Selva Norte region was impacted by pipeline stoppages, oil spills and blockages. Thus, further information might be relevant given the role of transportation in enabling upstream production and energy access.

Aside from oil royalties, there are no payments levied by project. Oil royalties, based on production, are primarily reported by "lotes" (contracts). However, the EITI Report does not clarify why, in certain instances, multiple "lotes" are aggregated. Peru's EITI has the opportunity to enhance the timeliness of its disclosures by leveraging its online reporting platform to integrate and strengthen existing systematic disclosures.

The MSG has set out a robust procedure for quality assurances of EITI reporting and the MSG's review of the rules of government audit is commendable. Although consulted stakeholders did not express any concerns around data reliability, it remains unclear which companies provided

the agree-upon financial statements as part of quality assurances for EITI disclosures. The 2021 EITI Report does not include a clear statement related to the reliability of the EITI financial data.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement and assessment	Summary of progress in addressing the EITI Requirement
<p>Comprehensive disclosure of taxes and revenues (Requirement #4.1)</p> <p><i>Mostly met with improvements</i></p>	<p>The International Secretariat's assessment is that Requirement 4.1 is mostly met with improvements. The MSG has clearly defined materiality thresholds and identified the companies making material payments, with 51 companies and six government entities fully reporting in accordance with the materiality definition. It appears that these thresholds ensure comprehensive coverage. The material revenue streams are publicly listed and described in the EITI Report. Building upon lessons from the previous Validation, the MSG has strengthened data reliability and comprehensiveness procedures. However, EITI reporting does not include full government disclosure for each type of revenue stream, including those below the materiality threshold. This information is essential to assess the extent of reconciliation coverage. Various government platforms publish disaggregated data on tax and non-tax revenues, but these are not always presented at the level of detail required by the EITI Standard and do not cover the entirety of revenue types. Therefore, the Secretariat's view is that the objective of ensuring comprehensive disclosures of company payments as the basis for detailed public understanding is mostly fulfilled.</p> <p>The MSG materiality decisions for both revenue streams and companies are documented in the MSG meeting minutes. For mining companies, the materiality threshold was set at those exceeding 1.5% of the total annual production during the 2021–2022 fiscal years. Similarly, in the oil sector, companies producing more than 1.5% of annual liquid hydrocarbons and more than 1% of annual gas production were included. Through this approach the achieved revenue coverage is of 89.46% for mining, 97% for oil and 98% for gas, with 51 companies participating in the reconciliation process. The material revenues are described in the EITI Report including those defined under Requirement 4.1.c. Entities such as MEM, SUNAT and Petroperu systematically disclose tax and non-tax revenues (see here, here, here and here). However not all extractive revenues are disaggregated as required under the EITI Standard and Peru's EITI Report does not indicate the coverage of reconciliation compared to full government revenues by each revenue stream.</p> <p>Previous validations raised concerns about the value production-based approach—particularly for companies near the materiality thresholds. To address corrective actions from the previous Validation, Peru supplemented the production-based materiality approach with an ex-post assessment to ensure all material payments were disclosed, as recommended in the previous Validation. EITI Peru formally requested that SUNAT verify whether any companies responsible for more than 3% of income tax payments had been excluded from the reporting scope defined by the MSG. The tax authority, SUNAT, confirmed that no companies meeting this criterion, and with material production for each subsector, had been omitted from the list submitted by the MSG.</p>

	<p>This double approach also seeks to ensure that significance of a company is not underestimated due to tax credits such as those under <i>Works for Taxes</i> (WxT) mechanism, which allows companies to use part of their income tax obligations to finance public investment projects.</p> <p>For the first time, Peru implemented an online reporting platform hosted by the Ministry of Energy and Mines. Through this platform, 50 companies and 5 government entities submitted their information via annexes, except for Chinalco and the Tax Authority (SUNAT). Under a confidentiality agreement, SUNAT provided company data to the Independent Administrator (IA) and Chinalco submitted its information directly to the IA. For all other entities, the IA accessed the Ministry's online system to retrieve the submitted annexes. Stakeholders observed that further development of this digital system could greatly improve the efficiency of the IA's work in the future.</p> <p>A key improvement during this reporting phase is the reconciliation of additional revenue streams, including contractual royalties and contributions to OSINGERMIN and OEFA, addressing the gaps identified in previous Validations. This approach ensured that fully reported receipts by material government entities. Additionally, stakeholders highlighted notable progress in the timeliness of confidentiality waivers with SUNAT, further enhancing the reporting process.</p>
Infrastructure provisions and barter arrangements (Requirement #4.3) <i>Not applicable</i>	<p>The International Secretariat's assessment is that Requirement 4.3 is not applicable.</p> <p>In Peru, companies involved in the extraction of oil, gas, or minerals are not legally required to undertake infrastructure projects in direct exchange for resource extraction rights. However, certain frameworks, such as Peru's "Works for Taxes" (WxT, obras por impuestos) regime, create a form of indirect infrastructure contribution. Under this program, companies can offset their Corporate Income Tax obligations by executing pre-approved public works projects instead of paying cash taxes. During the fiscal year under review, the regulatory framework was modified to expand <i>Works for Taxes</i> funding sources and eligible activities, including emergency investments, operations, and maintenance. Notably, both the number of projects and total investment in 2022 exceeded those of 2021, reaching 464.45 million soles. This increase is attributed to the coordinated efforts of the Peruvian Agency for Private Investment (ProInversión), ministries, and regional governments, which facilitated the awarding of projects that benefited local communities. The WxT mechanism allows companies to contribute to infrastructure development, but these contributions are considered voluntary and come with conditions that are not tied directly to the extraction rights, meaning these arrangements do not meet the definition of a barter-type infrastructure provision under the EITI Standard.</p>
Transportation revenues (Requirement #4.4) <i>Mostly met</i>	<p>The International Secretariat's assessment is that Requirement 4.4 is mostly met. The 2021-2022 EITI Report discloses some disaggregated revenues associated with the transportation of oil, gas and minerals. The MSG is yet to document its assessment on the materiality of transportation and provide the level of details and disaggregation commensurate with other payments and revenue stream to fulfil the objective of ensuring transparency in transportation revenues as a basis for promoting greater accountability in extractive commodity transportation arrangements.</p> <p>The EITI Report discloses transportation-related revenues linked to three entities: the Supervising Agency for Investment in Energy and Mining (OSINERGMIN), the Energy and Social Inclusion Fund (FISE), and the state-owned enterprise PetroPeru.</p>

	<p>The EITI Report explains that the contributions – <i>Aportes por Regulación</i> (APR) – is calculated based on the monthly billing of extractive companies, excluding the Value Added Tax (IGV). The portion related to transportation is then determined as a percentage of the total APR. The EITI Report also discloses FISE’s revenue derived from natural gas transportation tariffs. Details of these arrangements can be found in OSINERGMIN publications.</p> <p>The SOE, PetroPeru, owns and manages the pipeline Norperuano (OPN). The aggregated revenues from oil transportation through this pipeline are disclosed on the audited financial statements. The company’s annual reports and financial statements also include volumetric forecasts of crude oil transportation. Although revenues from this activity do not appear to be material, the MSG has not yet documented the rationale for considering them non-material. In the MSG’s comments to the draft Validation Report, stakeholders confirmed that that OPN pipeline was mostly, if not completely, out of service between 2016 and 2022, which reduced revenues from this pipeline to the extent that it is not a material revenue stream. The International Secretariat accepts this explanation and does not deem the lack of disaggregation of these revenues to be a gap in the assessment of Requirement 4.4. Furthermore, the Secretariat commends Peru MSG for including these revenues in aggregate.</p> <p>PetroPeru’s audited financial statements also include an impairment evaluation due to stoppages caused by incidents affecting OPN, as also indicated in the EITI Report. The OPN pipeline is a critical piece of infrastructure for the transportation of crude oil in Peru and its operational status and financial health directly affect the transportation of hydrocarbons, including revenues generated from this activity. Given the OPN’s critical role in Peru, a comprehensive description of the transportation arrangements related to this infrastructure would help stakeholders better understand the full scale of the system’s operational and financial challenges.</p>
<p>Level of disaggregation (Requirement #4.7)</p> <p><i>Mostly met</i></p>	<p>The International Secretariat’s assessment is that Requirement 4.7 is mostly met. The 2021-2022 EITI Report provides a high level of disaggregation and consulted stakeholders highlighted that most, but not all, payments from the oil, gas and mining sector are by company and not by individual project. The Secretariat’s view is that the objective is mostly fulfilled, given that it is not clear what revenues are levied on project level, and hence it cannot be established if revenue data levied at the project level is fully disaggregated and publicly accessible.</p> <p>Reconciled financial data on material revenues and payments is disaggregated by company, government entity, revenue stream and by project for oil royalties. The EITI Report provides information on the legal framework, and most revenues are charged at the company-level. Stakeholder consultations noted that only “<i>derecho de vigencia</i>”, which is charged per hectare of land granted under a specific mining concession is levied at project-level and this information is systematically disclosed.</p> <p>In the mining sector, payments such as royalties (“<i>regalía minera</i>”), the special mining tax (“<i>impuesto especial a la minería</i>”) and the special mining levy (“<i>gravamen especial a la minería</i>”), are consolidated at company-level and not by individual concession. Stakeholders clarified that, in the past, mining royalties and the special mining tax were based on the value of production rather than operating profits. At that time, some companies reported payments at project level. However, in 2012, the calculation basis shifted from the value of production to operating profits, leading to the consolidation of payments at the company level.</p>

	<p>Unlike mining royalties, oil royalties (Regalía Petrolera) are based on production measured at an agreed fiscalisation point. The EITI Report discloses oil royalties at individual “lote” (contract) level, indicating that payments are recorded separately for each block, rather than being automatically aggregated at the company level. However, in other cases, royalties for multiple “lotes” operated by the same company are consolidated into a single total. This means that reporting by “lote” can effectively be considered project-level reporting for oil and gas royalties, but for companies that aggregate multiple “lotes” (such as SAPET DEVELOPMENT PERU INC, operating blocks VII and VI), additional clarifications from the MSG on individual “lote” contributions would be necessary to align fully with project-level reporting standards or further clarification if these multiple lotes could be considered substantially interconnected agreements.</p> <p>Finally, other payments, applicable to both sectors, such as income tax and contributions to OSINERGMIN and OEFA are paid by company.</p> <p>While the report explains the basis of extractive company payments, there are areas that could be further clarified. Some consulted stakeholders pointed out that project-level disclosure was yet to be addressed by EITI Peru. It is unclear whether the MSG reviewed the legal instruments in Peru for the purpose of project level reporting, especially for payments where it seems applicable, such as of “derecho de vigencia” and oil royalties.</p>
Data timeliness (Requirement #4.8) <i>Fully met</i>	<p>The International Secretariat's assessment is that Requirement 4.8 is fully met. Stakeholders consulted did not express any views on progress towards this objective. Peru EITI has consistently published information in accordance with the EITI Standard, its work plan, and provision 4.8. However, it has requested several extensions, resulting in two suspensions for failing to meet reporting deadlines. The most recent report, covering fiscal years 2021-2022, was published in May 2024, aligning with provision 4.8.b, ensuring data is no older than the second-to-last complete accounting period. On the other hand, it is noteworthy that Peru published at least seven subnational reports including for regions Loreto, Arequipa, Moquegua, Piura, Apurímac and La Libertad. Moreover, Peru is working on improving timeliness challenges by implementing the use of an EITI reporting platform. It is the Secretariat's view that with the timely publication of its latest report, Peru has ensured that public disclosures of company payments and government revenues from oil, gas and mining remain sufficiently timely to be relevant to inform public debate and policymaking.</p>
Data quality and assurance (Requirement #4.9) <i>Mostly met</i>	<p>The International Secretariat's assessment is that Requirement 4.9 is mostly met. Peru EITI has described audit and assurance procedures of company payments and government revenues from the oil, gas, and mining sectors. The MSG has also agreed on measures to ensure the credibility of company data. Audits of government entities conducted by the Office of the Comptroller General are publicly accessible. The EITI Report includes conclusions derived from the reconciliation process and confirms that all companies submitted required documents. However, it does not provide details on the extent to which companies complied with the quality assurances for financial data and consulted stakeholders informed that not all companies had their financial statements audited, which was a requirement for reporting companies. The EITI Report does not have a statement of reliability of government and company disclosures, or a summary of key findings with relationship to companies' financial disclosures. While progress has been made in addressing corrective actions from the previous Validation, the Secretariat's view is that the fulfilment of this requirement is mostly met.</p>

	<p>Quality assurances followed the standard ToR's approach to conventional reporting, reconciliation (see Requirement 4.1). The EITI Report includes an explanation of the underlying audit and assurance procedures that both companies and government entities are subject to. This is an improvement since Peru's 2018 EITI Validation. Peru was then required to examine audit and assurance procedures for both companies and government entities involved in the EITI reporting process, and to agree on what information should be provided to ensure the credibility of the data.</p> <p>In Peru, for taxation purposes, companies are classified as Principales Contribuyentes (main contributors) and MEPECOs (small and medium taxpayers). Most reporting companies fall under the PRICO category, meaning they are subject to enhanced monitoring by the tax authority SUNAT. Information provided to SUNAT is considered an affidavit. When PRICOs declare payments, the system automatically verifies the accuracy of the submitted information. Additionally, companies above a certain threshold in a given fiscal period must present their audited financial statements according to the timelines established by the Superintendency of Values and Markets (SVM). For government entities, the General Comptrollership of the Republic (Oficina de la Contraloría General de la República, OCG), the highest oversight body, is responsible for regulating and ensuring, among other things, the internal control and reliability of financial statements. In the 2018 Validation, the MSG explained that the OCG can audit the financial statements and budgets of public entities or contract external firms under its own regulations. All government entities covered by EITI reporting must undergo annual audits. Audits can be publicly found (see for instance here, here, here and here).</p> <p>Peru's MSG agreed on the assurances that reporting companies had to provide to ensure the credibility of data as well as provisions for safeguarding confidential information. These assurances include providing information with authorised signatures from company representatives, confirming that their 2021-2022 financial statements have been audited and indicating their most recent fiscal revision by SUNAT or another private entity. In cases where entities or information have not undergone auditing, this information will be disclosed to the MSG.</p> <p>Consulted stakeholders from SUNAT noted that some companies had financial statements, these are not always audited. This is because some companies are subsidiaries, and only the parent company's financial statements are audited.. Additionally, documentation and stakeholder consultations indicated that there was an agreement with the Financial Intelligence Unit (UIF) to verify company payments. Although both the EITI Report and consulted stakeholders indicated that companies provided the requested documentation, the Report does not provide comment on the extent to which payments were actually verified with the UIF. Furthermore, it remains unclear whether and to what extent quality assurances were followed, as the EITI Report does not include a summary of key findings from the assessment on the reliability of financial data disclosed.</p> <p>Contextual information in the report is clearly sourced.</p>
New corrective actions and recommendations	
	<ul style="list-style-type: none"> In accordance with Requirement 4.1, Peru is encouraged to document whether companies making material payments to government have publicly disclosed their audited financial statements or the main items (i.e. balance sheet, profit/loss statement, cash flows) where financial statements are not available, are publicly disclosed. Where such audited financial

statements cannot be publicly disclosed, EITI Peru should publish the rationale for non-disclosure and any barriers to disclosure.

- In accordance with Requirement 4.4, Peru EITI should document the MSG definition of materiality with regards to transportation revenues. Whether material, Peru should disclose transportation revenues in accordance with provision 4.4, to levels of disaggregation commensurate with other payments and revenue streams and appropriate attention to data quality.
- In accordance with Requirement 4.7, Peru should ensure that public disclosures of company payments and government revenues from the extractive industries are disaggregated by government entity, by revenue stream, by company and, where applicable, by project for all extractive revenues considered material for EITI reporting.
- To strengthen implementation of Requirement 4.8, Peru EITI is encouraged to ensure that public disclosures of company payments and government revenues from oil, gas and mining are sufficiently timely to be relevant to inform public debate and policymaking. The MSG is encouraged to pursue efforts to further improve the timeliness of its EITI reporting, including through timelier preparation of EITI Reports and by strengthening the new online reporting platform.
- In accordance with Requirement 4.9, beyond the description of underlying audit and quality assurance procedures, EITI Peru should on how these are followed in practice. Peru EITI should include an assessment on the reliability of company-disclosed data, following the standard procedure established the MSG. This entails a summary of key findings from this assessment and disclose any identified gaps. Given Peru's strong institutional framework for audit and quality assurance, the country could further enhance the effectiveness and impact of its EITI reporting by adopting a risk-based approach to data quality and assurance.

Revenue management (Requirements 5.1, 5.3)

Overview of progress in the module

Peru has used EITI reporting to explain how extractive revenues flow into the Treasury and accounts in the Bank of the Nation. However, there is scope to provide further clarity on how revenues and funds transferred to subnational entities are managed through accounts in the Central Bank prior to transfer. Specifically, it would be useful to understand if these are fully integrated into the formal budget via the Treasury Single Account. Additionally, public information points out the existence of off-budget entities, such as the Fund for Armed Forces and National Police, which receive revenues from gas royalties. Explicit clarifications are needed whether the accounts created for statutory subnational transfers and extra-budgetary funds are fully integrated into the TSA and reflected in budgetary documentation, ensuring alignment with international best practices.

Peru's government operates several portals that disclose information on various aspects of the budget process, such as the Ministry of Economy and Finance portal *consulta amigable*. Looking ahead, Peru could use EITI reporting to publicly disclose country's budget and audit processes, information on production, commodity price assumptions, and revenue forecasting to inform debate around resource dependency and revenue sustainability.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement and assessment	Summary of progress in addressing the EITI Requirement
<p>Distribution of extractive industry revenues (Requirement #5.1)</p> <p><i>Mostly met</i></p>	<p>The International Secretariat's assessment is that Requirement 5.1 is mostly met. In the 'Transparency' template the MSG assessed progress as largely fulfilling the objective of this Requirement. Peru's EITI Reports as well as government websites indicate and describe how revenue streams are collected and allocated, including distribution to subnational entities. However, the Secretariat's view is that to fulfil the objective of ensuring the traceability of extractive revenues, more clarity is needed regarding revenues that may not be recorded in the national budget. While MSG comments provided information on the expenditures of some off-budget funds, corresponding information on transfers from Perupetro was not provided and does not appear to be publicly available.</p> <p>The 2021-2022 EITI Report explains collection mechanisms and it's indicated that revenues are recorded in the Treasury Single Account (TSA), managed by the Directorate General of the Public Treasury (<i>Dirección General del Tesoro Público</i>, MEF) and either retained in the national budget or redistributed to subnational entities. The TSA which consists of a main bank account at the Bank of the Nation (<i>Banco de la Nación</i>), with collecting and paying sub-accounts for each spending agency at the same bank.</p> <p>Subnational EITI reports have covered well the basis for the allocation and actual allocations in the period under review. The MSG has gone a step further by assessing the effectiveness of execution, including the management of special funds. Similarly, systematic disclosures on subnational transfers provide valuable information on revenue composition, collection mechanisms, and allocation formulas.</p> <p>In the 'Transparency' template the MSG provided links to government description of the Camisea Socio-Development Fund (FOCAM). Under this arrangement, the central government, through the MEF allocates 25% of the royalties from the Camisea Gas project to FOCAM. These funds are then transferred to regional and local governments for socio-economic development projects. In MSG comments to the draft Validation Report, stakeholders confirmed that FOCAM revenues first pass through the national budget. These revenues are also traceable through EITI reporting.</p> <p>EITI reporting and systematic disclosures document off-budget revenues managed by the SOE <i>Activos Mineros</i> from contractual royalties, with corresponding financial statements showing the flow of these revenues. Another portion of the gas royalties from the Camisea project is, according to law, allocated to the Police and Armed Forces Fund. They are not mentioned in the 2021-2022 EITI Report. Third-party sources have indicated that these are only documented when expenditures occur rather than at the time of transfer. While MSG comments to the draft Validation Report confirm the execution of these expenditures, there is a lack of publicly available information in Perupetro's audited financial statements and annual reports that demonstrate the transfer of these royalties ahead of execution.</p>

	<p>Another revenue stream to be considered under this requirement is WxT mechanism. Instead of making payments that would enter the public treasury, companies directly invest in infrastructure, health, or education projects, based on a list of prioritized public investment needs. The Ministry of Economy and Finance (MEF) maintains a centralised database of WxT projects and publishes an open data file that ranks participating companies along with the corresponding investment amounts. In addition, both national and subnational EITI reporting disclose the committed and executed amounts under this mechanism, thereby enhancing transparency and allowing for public oversight of these quasi-fiscal contributions.</p> <p>There is no indication of other significant off-budget revenues or untraceable beyond those already disclosed. However, it is the Secretariat's view is that a definitive and clearer statement with regards to the inexistence of any additional off-budget revenues is needed.</p>
<p>Revenue management and expenditures (Requirement #5.3)</p> <p><i>Fully met</i></p>	<p>The International Secretariat's assessment is that Requirement 5.3 is fulfilled. Peru subnational reporting addresses a description of revenues and their use for specific programmes, activities, projects, as well as information on country's planning processes linking to publicly available information. The Secretariat's view is that the objective of strengthening public oversight of the management of extractive revenues, and the use of these revenues to fund specific public expenditures is fulfilled. This conclusion is based on consideration of the steps Peru has taken to analyse on revenue management and expenditures at the subnational level, of key area of interest for stakeholders.</p> <p>Peru's EITI reports provide detailed insights into the revenue flow cycle and its management. This is completed through subnational reporting, which presents execution percentages by each government entity and moving forward analyses disparities among them. The report also examines the coherence between what planned and actual executions by level of government.</p> <p>For instance, the 2022 Arequipa Report identifies that execution only partially aligns with initial planning. Additionally, EITI Peru seeks to address whether higher extractive revenue correlates with improvements in social and economic indicators compared to the rest of local governments. Furthermore, the report provides data on the use of extractive revenues for environmental management. Overall, subnational EITI reports offer recommendations and in-depth analyses to enhance efficiency and accountability of extractive revenue management.</p>
<p style="text-align: center;">Corrective actions and recommendations</p>	
<ul style="list-style-type: none"> • In accordance with Requirement 5.1, Peru is required to clearly reference extra-budgetary revenues and how those are recorded, including references to publicly available information. This documentation should indicate the transfer of revenues into these extra-budgetary revenues, as well as their expenditures. • To strengthen implementation of Requirement 5.3, Peru is encouraged to use its EITI disclosures to disclose further information related to commodity price assumptions, revenue sustainability, resource dependence and revenue forecasting. 	

Subnational contribution (Requirements 4.6, 5.2, 6.1)

Overview of progress in the module

Peru has pioneered regional EITI decentralisation, with active subnational MSGs publishing reports. The country has a clear legal framework for distributing mining revenue across national, regional, and local governments. Subnational reports provide detailed insights into how these funds are allocated and used by municipalities and local entities, improving coordination and communication between government levels and building trust with local communities. EITI Peru has continued to disclose extractive companies' social expenditures and has made progress in improving data collection on voluntary payments. However, more work is needed to clearly distinguish between voluntary and mandatory expenditures in the mining and hydrocarbon sectors as well as clarifying if these are mandated by contract.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement and assessment	Summary of progress in addressing the EITI Requirement
Subnational payments (Requirement #4.6) <i>Not applicable</i>	<p>The International Secretariat's assessment is that Requirement 4.6 remains not applicable in the period under review. The previous Validation deemed this requirement 'not applicable' as it was established that subnational government entities do not levy any specific taxes on extractives industries. Other taxes collected by subnational governments appear to be immaterial.</p> <p>In the transparency template, the MSG indicated that neither regional and local governments apply taxes or payments on extractive companies. The Secretariat's assessment is that Requirement 4.6 remains not applicable, similar to the previous Validation. There is no indication that subnational government entities levy specific taxes on the extractive industries. Additionally, neither the EITI Report nor the reviewed subnational reports mention direct payments from extractive companies to subnational government entities.</p>
Subnational transfers (Requirement #5.2) <i>Exceeded</i>	<p>The International Secretariat's assessment is that Peru has exceeded Requirement 5.2, as in the previous Validation. The objective of this requirement is to enable stakeholders at the local level to assess whether the transfer and management of subnational transfers of extractive revenues are in line with statutory entitlements. Peru has been a pioneer in decentralising EITI implementation at the regional level, with five active regional multi-stakeholder groups (MSGs). EITI reporting, subnational reports and other sources provide a comprehensive overview of subnational transfers, offering detailed insights into their management. Therefore, the Secretariat considers this requirement to be exceeded.</p> <p>Peru's mineral revenue-sharing system allocates mining and hydrocarbon revenues to subnational governments that host extractive activities based on production levels. Subnational areas that host the transportation routes also receive transfers. Subnational transfers flow through a decentralised governance structure of national, regional, and municipal governments that can all receive separate funds. The 2021-</p>

	<p>22 EITI Report outlines the revenue-sharing formula and details the value of subnational transfers of mining and petroleum revenues for each beneficiary local government.</p> <p>In Peru, transfers of extractive sector revenue between national and subnational government entities are legally mandated. The country has a well-defined legal framework governing the distribution of these transfers among national, regional, and local governments. The legal framework, allocation criteria, methodology for subnational transfers, budget monitoring and execution are publicly available on the Ministry of Economy and Finance website and in the 2021-2022 EITI Report.</p> <p>The actual amount allocated in the budget, as well as the amount transferred to national, regional and local governments, is publicly available in the open data portal of the Ministry of Economy and finance website. The EITI Report states that the reconciliation of royalty payments between amounts collected by SUNAT and payments made by companies revealed a minor discrepancy of 0.002% in 2021, while no difference was found in 2022. The Ministry of Economy and Finance's Transfers Transparency Portal provides detailed information on subnational transfers at the regional, municipal, and provincial levels. It also discloses the direct beneficiaries/entities receiving the transfers and the correlation between the authorised and actual transferred amounts. The portal offers regularly updated, monthly disaggregated data on subnational transfers and unspent canon. Additionally, the 2021-2022 EITI Report includes disaggregated information on transfers to departments, local and regional governments, and universities.</p> <p>Beyond the information provided in the 2021-2022 EITI Report, Peru has been a pioneer in decentralising EITI implementation at the regional level. Currently, five regional EITI subnational MSG's are active in Moquegua, Piura, Arequipa, Loreto, and Apurímac, while three additional regions, Áncash, La Libertad, and Cajamarca, are in the process of forming their own MSGs.</p> <p>These subnational reports provide detailed insights into the process for subnational transfers of mining and oil and gas canon and royalties. They also offer a comprehensive analysis of how these funds are allocated and executed by municipalities and local entities. The reports disclose information related to the allocation and execution of subnational transfers in public investment such as education, culture and sports, health, transport, energy and communication among others.</p> <p>Consulted stakeholders emphasised the importance of assessing the effective use of revenues, a primary concern for communities and local stakeholders. Subnational reports highlight the existence of transparency portals by public institutions, which allow for analysis of how funding is utilised particularly in water services, education, and municipal management. These subnational reports also outline budget execution levels in municipalities receiving funding.</p> <p>Peru EITI has described audit and assurance procedures of company payments and government revenues from the oil, gas, and mining sectors. The MSG has also agreed on measures to ensure the credibility of company data. The EITI Report includes an explanation of the underlying audit and assurance procedures that both companies and government entities are subject to.</p>
Social and environmental expenditures	<p>The International Secretariat's assessment is that Requirement 6.1 is mostly met, as in the previous Validation. In the 'Transparency' template the MSG assessed progress as partially met. The objective of enhancing the public understanding of</p>

(Requirement #6.1)	extractive companies' social and environmental contributions and assess their compliance with legal and contractual obligations has been mostly fulfilled.
<i>Mostly met</i>	<p>Since the last Validation, Peru has made progress in collecting data on mandatory social and environmental expenditures. While mandatory social and environmental expenditures in the mining sector are publicly available through various sources, gaps remain in the disclosure of social and environmental expenditures from the hydrocarbon sector. There has been progress in gathering data on voluntary social expenditures in both the mining and oil and gas sectors through a unified format, facilitating the distinction between voluntary and mandatory social expenditures in line with the recommendations from the previous Validation. However, the Secretariat was unable to confirm if the information from the hydrocarbon sector is publicly accessible on a portal. Further disaggregation of environmental payments would also be beneficial. It's therefore the Secretariat's view that requirement 6.1 is mostly fulfilled.</p> <p>Companies are required to undertake mandatory social and environmental expenditures by law. Peru has established the "Social Funds" in 2008 with the enactment of legislative Decree No. 996, which regulates the use of resources from private investment promotion processes for sustainable development projects in the areas affected by extractive projects. The 2021-2022 EITI Report provides detailed information on the social fund's specific names/associations, including the number of projects, project execution progress, regions, and payments disaggregated by investment priorities (water, sanitation, education, health, and energy). Stakeholder consultations noted that company payment obligations to specific social funds are attached to each contract entered into with companies.</p> <p>The 2021-2022 EITI Report notes that mining companies report social expenditures through the Consolidated Annual Declaration (DAC). The information from the DAC is presented on the website on mining social investment from the Ministry of Energy and Mines, which provides data on mining companies' social expenditure disaggregated by year, region, province, district, company name, investment category, and activity type. Under activity type the data can be further disaggregated by donation, equipment or project, indicating expenditures made in cash and in-kind.</p> <p>The EITI Report highlights that the Supreme Decree No. 023-2018-EM introduced a standardised format for hydrocarbon companies to report voluntary payments to the General Office of Social Management (OGGS) of the Ministry of Energy and Mines (MINEM). Additionally, Ministerial Resolution No. 286-2023-MINEM/DM from July 2023 introduced a unified format for reporting voluntary social commitments across mining, hydrocarbons, and electricity sectors, requiring biannual submissions to MINEM's General Office of Social Management via their extranet.</p> <p>Regarding mandatory environmental payments, the social fund's investments prioritise water and sanitation. The EITI Report discloses environmental payments made by companies to OEFA (Organismo de Evaluación y Fiscalización Ambiental), responsible for overseeing environmental regulations in sectors such as mining, hydrocarbons, electricity, fisheries, and industries. It compares company-disclosed payments with OEFA's data. The report also compares companies disclosed payments with OSINERGMIN's data (Organismo Supervisor de la Inversión en Energía y Minería). OSINERGMIN is the public regulatory body ensuring the proper functioning, safety, and compliance of the energy and mining sectors, with a focus on environmental protection and safety through inspections and audits.</p>

	In line with Requirement 4.1, the Secretariat considers social and environmental expenditures material for the review period. The MSG has defined materiality thresholds, identified companies making material payments, and publicly listed the material revenue streams in the EITI Report. In accordance with Requirement 4.9, Peru EITI has outlined audit and assurance procedures for company payments and government revenues from the oil, gas, and mining sectors. The MSG has also agreed on measures to ensure the credibility of company data.
New corrective actions and recommendations	
<ul style="list-style-type: none"> In accordance with Requirement 6.1 and to fulfill the objective of public understanding of extractive companies' social and environmental contributions which provides a basis for assessing extractive companies' compliance with their legal and contractual obligations to undertake social and environmental expenditures, Peru is encouraged to strengthen the disclosure of social expenditures in the hydrocarbon sector and to clearly present the information regarding voluntary and mandatory social expenditures from the mining and oil and gas sector. To present a more comprehensive picture of the beneficiaries of social and expenditures, further disaggregation is recommended, particularly regarding the specific beneficiaries of projects implemented by the social funds. 	

Background

Overview of the extractive industries

An overview of the extractive industries is accessible on the [country page](#) of the EITI webpage for Peru.

History of EITI implementation

The history of implementation is accessible on the [country page](#) of the EITI webpage for Peru.

Explanation of the Validation process

An overview of the Validation process is available on the EITI website.⁶ The [Validation Guide](#) provides detailed guidance on assessing EITI Requirements, while the more detailed [Validation procedure](#) include a standardised procedure for undertaking Validation by the EITI International Secretariat.

The International Secretariat's country implementation support team include Emmanuel Aguilar Burgoa and Esteban Manteca, while the Validation team was comprised of Jessica Sanchez, Riley Zecca and Sandra Rojas. The internal review for quality assurance was conducted by Esteban Manteca, Gisela Granado, Mark Robinson, Francisco Paris and Christina Berger.

Confidentiality

The detailed data collection and assessment templates will be made publicly accessible upon the publication of the Board decision. The detailed data collection and assessment templates are publicly accessible, on the internal Validation Committee page [here](#).

The practice in attribution of stakeholder comments in EITI Validation reports is by constituency, without naming the stakeholder or its organisation. Where requested, the confidentiality of stakeholders' identities is respected, and comments are not attributed by constituency. This draft report was shared with stakeholders for consultation purposes and remains confidential as a working document until the Board takes a decision on the matter.

Timeline of Validation

The Validation of Peru commenced on 1 October 2024. A public call for stakeholder views was issued on 4 July 2024. Stakeholder consultations were held in-person on 25 to 29 June 2024. The draft Validation report was finalised on 24 April 2025. Following comments from the MSG received on 22 May 2025, the Validation report will be finalised for consideration by the EITI Board.

⁶ See <https://eiti.org/validation>

Resources

- Validation data collection file – [Stakeholder engagement](#)
- Validation data collection file – [Transparency](#)
- Validation data collection file – [Outcomes and impact](#)

Annexe A: Assessment of Requirement 1.3 on civil society engagement

Methodology

Due to concerns expressed by stakeholders related to the enabling environment for civil society engagement in the EITI, the International Secretariat's Validation team has conducted a detailed assessment of Peru's adherence to the EITI Protocol: Participation of civil society.⁷ This is also the EITI's first assessment of Requirement 1.3 and adherence to the EITI protocol: Participation of civil society since Peru's Validation under the 2013 EITI Standard [concluded](#) in January 2017, with an assessment of 'satisfactory progress' for Requirement 1.3. The period under review for this Validation is June 2019 – October 2024, given that Peru's second Validation (under the 2016 EITI Standard) in June 2019 had concluded that there had been no regression on Requirement 1.3.

The assessment follows the Validation guide, which defines guiding questions and related evidence that should be considered in cases where there are concerns about potential breaches of the civil society protocol.⁸ For contextual purposes, the Validation provides an overview of the broader enabling environment for civil society participation in the country's extractive sector. The assessment seeks to establish whether legal or practical restrictions related to the broader enabling environment have *in practice* limited civil society engagement in the EITI in the period under review. It focuses on the areas where there are concerns regarding adherence with the civil society protocol.

A call for stakeholder views on progress in EITI implementation was launched on 1 October 2024, in accordance with the Validation procedure. The assessment draws on the information provided in responses to that call for views, the Stakeholder engagement file, stakeholder consultations and comments submitted during the MSG commenting period.

Overview of broader environment for civil society engagement

There is a vibrant and diverse civil society in Peru, ranging from Indigenous and community-based organisations to regional capital and Lima-based CSOs. This reflects the diversity in a country with an estimated 6m people of Indigenous groups (out of a total population of around 34m), comprising 55 groups speaking 47 different languages according to the International Work Group for Indigenous Affairs (IWGIA). The International Centre for Not-for-profit Law (ICNL) [website](#) provides a brief history of the different waves of creation of NGOs in the 1970s, 1980s and 2000s, although there is no public estimate of the number of CSOs in Peru. There has been a history of social conflict between groups representing indigenous peoples and the extractive industries on issues including land rights and free, prior, informed consent in extractive projects, exacerbated by overlapping rights to communal territories in a context where 47.8% of the land is occupied by peasant communities while 21% of the country is covered by mining concessions and 75% of the Peruvian Amazon is covered by oil and gas concessions according to the IWGIA [webpage](#) on Peru.

⁷ <https://eiti.org/document/eiti-protocol-participation-of-civil-society>.

⁸ <https://eiti.org/document/2021-eiti-validation-guide>.

Peru's ranking in Freedom in the World has fluctuated between 70/100 and 73/100 for most of the period. Given that the classification changes from 'partly free' to 'free' at 72/100, Peru's ranking has fluctuated between 'partly free' (in [2021](#) and [2023](#)) and 'free' (in [2019](#), 2020 and [2022](#)) during this period, before falling more firmly in the 'partly free' category in [2024](#) with a ranking of 66/100 and in [2025](#) with a ranking of 67/100. The NGO CIVICUS has rated Peru's civic space as 'obstructed' from [2019](#) to [2024](#) due to intimidations, harassments and killings of land and environmental defenders (such as in [December 2023](#)), although not attributed to government. CIVICUS' rating has since been downgraded to 'repressed' due to further [threats](#) and killings (see [here](#) and [here](#)). Peru's score in the Reporters without Borders (RsF) World Press Freedom Index improved from 90th of 180 countries in 2020 and 91st in [2021](#), to 77th in [2022](#), before deteriorating to 110th in 2023 and 125th in [2024](#) due to alleged harassment and attacks of journalists by security forces. The US Department of State's reports on Human Rights Practices in Peru documents growing concern over reported abuses by security forces in the period under review, particularly in the reports covering [2021](#), [2022](#) and [2023](#). The reports highlight significant human rights abuses including unlawful or arbitrary killings by security forces, torture or cruel, inhuman, or degrading treatment or punishment by security forces, as well as serious restrictions on freedom of expression and media freedom, including violence or threats of violence against journalists.

The political instability since 2018, with six Presidents in the seven years since then, has had a direct impact on broader civic space. Successive constitutional and presidential crises in 2019 and 2020, respectively, coincided with a growth in public demonstrations by farmers, particularly since late 2020 onwards according to [coverage](#) by the Armed Conflict Location & Event Data Project (ACLED). The election as President of Pedro Castillo Terrones in June 2021 following a campaign in which he championed the rights of indigenous communities was contested by some and *"contributed to a deepening of the fracturing of Peruvian society along ethnic-racial and social status lines, as well as increasing polarisation and political tensions"* according to an October 2023 OHCHR [report](#). Congress made three separate attempts at impeachment of President Castillo under Article 113.2 of the Constitution related to incapacitation during his 16 months in power. The first motion for impeachment filed in November 2021 for "moral inability" to govern, while the last motion in November 2022 was for *"moral incapacity"* due to an ongoing corruption investigation against the President, accusations which he [contested](#). In December 2022, President Castillo dissolved Congress and reorganised a number of judicial bodies⁹ and established a "government of exception", before being arrested and placed in 18-month preventive detention for the crime of rebellion or conspiracy to commit rebellion against the state according to the October 2023 OHCHR [report](#). President Castillo's Vice President, Dina Boluarte Zegarra was sworn in as the new President of the Republic the same day.

The start of President Castillo's term coincided with a wave of protests in the country from September to November 2021 related to the environmental impacts of mining, the lack of free, prior, informed consent on mining projects, and the impact on community livelihoods and health in the southern Peruvian mining corridor, according to a CIVICUS [report](#) in 2022 and a November 2021 [article](#) by the Business & Human Rights Resource Centre. Local communities mobilised against mining projects and organised roadblocks that impacted large mining operations including Hudbay Minerals' Constancia mine, MMG Ltd's Las Bambas, and Glencore's

⁹ The Public Prosecutor's Office, the Constitutional Court, and the National Justice Board.

Antapaccay (e.g. in [October 2021](#)) and Glencore and BHP's Antamina. These community protests continued into 2023 with suspensions of work at Antapaccay in [January 2023](#) and at Las Bambas in [February 2023](#), according to a 2023 [article](#) by the Peru Support Group, and further expanded with the broader political protests in December 2022–March 2023, according to reporting by [Reuters](#).

The political instability of December 2022 sparked the largest outbreak of instability in recent years in Peru, according to an International Crisis Group [report](#) from February 2024. The government declared a 30-day nationwide state of emergency and implemented curfews in 15 provinces across eight regions in December 2022, followed by state of emergency declarations by the government in specific regions and provinces, as well as the national highways between January and July 2023 according to the US State Department's [report](#) on Human Rights Practices in Peru in 2023. There were a total of 4,261 road blocks recorded in the December 2022–March 2023 period according to an OHCHR [report](#). The OHCHR's October 2023 [report](#) on the 2022–23 protests cites figures from the Ombudsperson's Office that there were 1327 protests, 882 mobilisations, 240 shutdowns ("paralizaciones"), 195 rallies and sitins, 10 vigils and 60 peace marches registered from December 2022 to end of February 2023. In the December 2022–March 2023 period, the OHCHR recorded 50 civilians killed and at least 821 people injured, allegedly by security forces, alongside another 11 civilians that died in road blockade accidents or due to lack of medical attention. The OHCHR [report](#) also cites government figures of 980 members of the National Police of Peru injured and one policeman killed, as well as 36 members of the armed forces injured and six killed in the context of the protests.¹⁰ Echoing concerns from NGOs like [Human Rights Watch](#) and [Amnesty International](#), the Inter-American Commission on Human Rights (IACHR) published an [investigation](#) on events during the December 2022–January 2023 period in Peru, which concludes that Peru committed "serious human rights violations" during the protests and that the majority of the deceased and injured were the result of "disproportionate, indiscriminate, and lethal use of force", albeit with regional variations. The findings of this report were [rejected](#) by President Dina Boluarte. Following a five-month period of relative calm, a loose coalition of trade unions, CSOs and certain political leaders staged the "Third Takeover of Lima" in July 2023 demanding the resignation of President Dina Boluarte and the closure of Congress, with 21,000 participants in the street protests according to Ministry of Interior figures cited by CIVICUS in a 2024 [article](#), which also cites another extension in the state of emergency on national highways in the south of Peru. These protests did not develop further, however, and relative peace has returned since the protests, even if the conditions for future unrest remain according to an International Crisis Group [report](#) from February 2024. While citizen unrest has diminished, violence from organised crime has been on the rise, causing further state of emergency declarations for parts of the country, including Lima. A [state of emergency](#) was in effect from September and December 2024, and then again most recently on 18 March 2025.

Peru's latest Universal Periodic Review ([UPR](#)) by the UN Human Rights Council in February 2023 notes the government's efforts to improve protections for human rights but highlights several areas for further improvements. Following broad consultations with 132 government entities, companies, trade unions, CSOs and indigenous peoples' organisations since January 2019, Peru's 2023 UPR welcomes the adoption of the country's first National [Action Plan](#) on Business and Human Rights covering 2021–2025. The government [established](#) a new inter-ministerial

¹⁰ Of these, OHCHR was able to verify 208 cases of police and military personnel injured during the protests, according to the OHCHR report.

mechanism for the protection of human rights defenders through Decree [004-2021](#) in 2021, alongside other provisions for the protection of environmental defenders as noted by the Observatory on Public Policies for Defenders ([FOCUS](#)). However, Human Rights Watch has [criticised](#) the mechanism's under-resourcing, with no funding of its own and only six staff as of mid-2023. Although the 2020 [report](#) on Peru of the UN Special Rapporteur on human rights defenders recommended that Peru ratify the Escazú Agreement, which promotes access to information, justice, and public participation in environmental matters and the protection of environmental defenders, Congress voted twice in 2020 and 2022 not to ratify the agreement according to Human Rights Watch's 2024 World [Report](#). Peru is categorised as “among the ten most dangerous countries in the world for land and environmental defenders” according to the NGO Global Witness' annual [reports](#) on killings of land and environmental defenders, which recorded 42 activists killed between 2014 and 2022, of which more than half were killed in the Amazon. Yet at the same time, Peru's ranking in NGO Article 19's Global Expression Report has improved from 'less restricted' at 79/100 in [2019-2020](#) to 'open' at 83/100 in [2021-2022](#), due to fewer reports of murders of land and environmental defenders. This ranking has since slipped back to 72/100 with a re-classification back to 'less restricted'.

More recently in 2024, international CSOs raised concerns over draft legislation (available on the Congress [website](#)) that was under consideration in Congress, with bills proposing to amend oversight powers of the Peruvian Agency for International Cooperation (APCI) that would grant broad new powers to government control of NGOs, particularly those receiving foreign funds. On 2 April 2025, this amendment was [signed into law](#) enacted as [Law No. 32301](#), amending Law No. 27692 creating the Peruvian Agency for International Cooperation (APCI) – further referred to as 'APCI law'. International civil society organisations such as Amnesty International immediately [expressed](#) its objection to this amendment, warning that the amendment undermines civic space as it opens the door for “arbitrary restrictions, discretionarily and censorship.” Reporting from [the Guardian](#) and [the AP](#) further detail aspects of this new amendment that make it a serious offense for CSOs to advise or participate in administrative and judicial cases against government, which could diminish CSO oversight functions on government. Congress was also considering a constitutional amendment (available on the Congress [website](#)) that would disband the National Board of Justice and vest the power to transfer or remove judicial authorities given to legislators in Congress, criticised for compromising judicial independence by CSOs like [WOLA](#) and [Amnesty International](#). The International Secretariat has reflected early impacts and expected impacts from stakeholder views from the amendments to Law 27692 in the assessment below.

Stakeholder consultations in the commenting period noted that the passage of the law has emerged in a broader context of polarised positions between civil society organisations that are supportive of government positions, and civil society organisations which criticise the government, such as organisation for the defense of indigenous rights and environmental protection, which has increased in recent years. CSO stakeholders have noted that civil society organisations supporting or representing organisations denouncing the effects on people and the environment caused by the extractive industries (legal and illegal) and calling for accountability of the government have come under attack from the media for undermining state interest.

In a [public address on 14 April](#), President Dina Boluarte stated that the Law allowed a comprehensive review of NGOs acting ‘against the interests of our country’ and that “seek to destabilise and promote division using resources from international cooperation to advance their own ideological agenda” and that “do not contribute to the development of Peru”. A key feature which has been criticised by international CSOs [is Article 21 paragraph c](#), which notes as a

severe infringement of the law the use international funds *'to advise, assist or finance, in any form or modality, administrative, judicial or other actions, in national or international instances, against the Peruvian State'*. This includes any activities of civil society organisations providing technical assistance on or engaging directly in litigation cases brought to international or national courts against the Government of Peru for breaching its national legislation or international commitments.

Other key aspects of the law include the requirement for sub-grantees of international cooperation funding to register through the APCI, where previously it was only the direct recipient of international funding that needed to register and provide regular documentation. In practice this means that the grassroots organisations which have been receiving funds from the national CSOs are required to register. To the International Secretariat's understanding this aspect of the law is effective immediately. Other requirements will come into force once implementing regulation has been passed, such as the requirement for mandatory prior authorisation, meaning that all CSOs funded by international donors must obtain prior authorisation on work plans before execution of the activities. Finally, the legislation now allows APCI to impose sanctions for infringement of the law. Specifically, Article 22 allows the APCI to sanction organisations, including through fines of up to approximately USD 720,000 (according to the [International Bar Association](#)) and through suspension or cancellation of their registration. Article 21 also

Several organisations¹¹ have noted that this law effectively alters the monitoring and oversight role of the Peruvian Agency for International Cooperation into a role of regulating and sanctioning civil society organisations which speak up against or carry out activities which could be found to be against the state's interest, including those where civil society organisations organise to hold the government to account using existing legal instruments. Civil society organisations have also noted that the law contains ambiguities, which make it difficult to anticipate how the application will play out on their organisations and their activities in practice. The UN Special Rapporteur on freedom of peaceful assembly and of association [stated in April 2025](#) that the 'ambiguity of the measures could distort the legitimate objective pursued and violate the predictability required by international standards for all restrictive measures'.

Expression

Peru's 1993 [Constitution](#) (Article 2) guarantees freedoms of expression, access to public information and dissemination of ideas without prior authorisation, censorship or impediment. A Law on Transparency and Access to Public Information was [enacted](#) in 2002, although implementing regulations for the law were only [approved](#) in May 2024. The Peruvian media landscape is diverse, but the industry has undergone consolidation in recent years, with four broadcasters controlling over half of the television market and four radio stations controlling the radio market according to the Media Ownership Monitor Peru [website](#). According to data from the CSO Legal Defense Institute cited in an April 2023 [article](#) by Nacla, Grupo El Comercio controls over 80% of the print media industry, as well as a majority interest in América Televisión, Peru's largest television channel by audience. Despite the constitutional guarantees, however, press

¹¹ See for example: <https://www.ohchr.org/es/press-releases/2025/04/approval-amendments-apci-law-seriously-affects-freedom-association-peru-un>, <https://idehpucp.pucp.edu.pe/boletin-eventos/fabiola-torres-periodista-la-ley-apci-es-un-mecanismo-directo-de-censura-previa-al-periodismo-independiente/>, <https://www.amnesty.org/en/latest/news/2025/04/peru-ley-obstaculiza-libertad-expresion-y-asociacion/>, https://www.oas.org/es/cidh/jsForm/?File=/es/cidh/prensa/comunicados/2025/098.asp&utm_content=country-per&utm_term=class-mon and <https://latamjournalismreview.org/es/articles/ley-peruana-exige-aprobacion-del-gobierno-para-ong-y-medios-de-comunicacion-financiados-internacionalmente/>

freedom organisations like Reporters without Borders ([RsF](#)) highlight frequent harassment and attack of journalists by security forces. An estimated 150 Peruvian journalists have been taken to court over their work between 2019 and 2024 according to data from the National Association of Journalists of Peru cited in a CIVICUS [article](#) in 2024.

The Comprehensive Criminal Code (Articles 131 and 132) criminalises slander and defamation, with sanctions of up to two years imprisonment. The US State Department's [report](#) on Human Rights Practices in Peru in 2023 cites the Institute of Press and Society's view that imprisonment due to libel or slander was rare, but that most media practiced self-censorship to avoid the risk. Yet charges of defamation have already been used to halt reporting on certain topics, according to the Committee to Protect Journalists and Human Rights Watch's 2024 World [Report](#), although the examples cited were not linked to the extractive industries. In 2023, Congress has been considering a [draft bill](#) revising the Comprehensive Criminal Code that would increase sanctions on slander and defamation and expanding the scope to "*improper use of social media, social networks or websites*". The proposed legal reforms elicited strong opposition from CSOs and media groups in May 2023, including a [letter](#) of concern from the National Association of Journalists of Peru, the Peruvian Press Council and the Press and Society Institute to the President of Congress and a [call](#) to withdraw the bill from the Inter-American Press Association (IAPA). Yet there is no evidence that any CSO substantially engaged in the EITI process has faced any defamation or slander accusation, or the threat of such an accusation, in the period under review, which was echoed in consultations with civil society organisations. Nevertheless, these stakeholders underlined the seriousness of that such accusations pose, not least due to the financial implications. One civil society stakeholder explained that CSOs often do not have the funds to finance a legal defence against such accusations and that given these financial implications, accusations of slander and defamation could effectively bankrupt smaller organisations.

The Press and Society Institute (IPYS) and the Peruvian Press Council (CPP) issued alerts about attacks on journalists in 2022, according to an April 2022 [article](#) by Voice of America. The US State Department's [report](#) on Human Rights Practices in Peru notes a significant increase in reported aggression against journalists in 2023 and government attempts to limit reporting on anti-government protests. Small political groups that have verged on the paramilitary (from the right of the political spectrum, such as La Resistencia and Los Insurgentes) have insulted, harassed and attacked journalists and human rights defenders' offices by staging small rallies of 15-20 people outside of workplace entrances, according to Human Rights Watch's 2024 World [Report](#) and the US State Department's [report](#) on Human Rights Practices in Peru in 2023. Yet there is no evidence that any CSO substantially engaged in the EITI process has faced any threats, harassment, intimidation or violence during the period under review. Consulted subnational civil society representatives, particularly those from the Amazon region, recounted similar circumstances on the ground as what is reported in State Department and international watchdog reports, but did not indicate that they themselves, or other CSOs engaged in the EITI process have faced threats, intimidation or harassment from a government official. While anecdotal, the International Secretariat witnessed a respectful exchange of opposing ideas between subnational government officials and CSO representatives in Moquegua during a subnational MSG meeting.

Prior to the enactment of the new APCI law in April 2025, there was evidence of vibrant public debate on extractive industry governance in Peru, despite the broader constraints. There was no evidence of any topic that was not being discussed openly, with CSOs expressing a range of

views including those critical of the government, including on issues such as human rights impacts of Chinese investments by the CSO [CICDHA](#) and environmental impacts of Peru's major mines by CooperAcción. Civil society organisations that have traditionally led CSO engagement in the EITI process, including Grupo Propuesta Ciudadana, CooperAccion and DAR, have continued to campaign openly on social and environmental impacts of the extractive industries, as well as company disclosures of EITI data. The leading CSOs engaged in the EITI have also expressed public concern over the status of EITI implementation in Peru, for instance through a letter to the Chair of the EITI Board in November 2023 and through an open [letter](#) to the government in May 2022 expressing concern over Peru's suspension due to delays in EITI reporting, and issuing several recommendations for reinvigorating the EITI process.

During the commenting period to the draft assessment, however, civil society organisations engaged in the EITI process have raised strong concerns and early evidence of the 'APCI [Law' No. 32301](#), amending Law No. 27692, on the freedom of expression. One civil society organisation engaged in the EITI process noted that as a result of the law, it has applied self-censorship to its own communication, as well as of partner organisations', which included messages which could be interpreted as encouraging, recommending, promoting or advocating litigation against the state. It has removed statements on its website that use terms such as 'we denounce' and 'we reject' in response to Art. 21c). In terms of *expected* impacts if the law, [investigative journalists](#) have noted that they will no longer be able to report on cases which uncover local and subnational level governments being coopted in trafficking of illegal gold. Other organisations directly and indirectly engaged in the EITI process, including one subnational EITI, have noted that as a reaction to the law, they are more careful in the formulation of their public communication, including the formulation of work plan activities. One subnational MSG has commented that the law will likely have an impact on the nature of the dialogue between civil society, government and companies. Whereas the EITI process had succeeded in establishing a frank and trust-based dialogue between the constituencies this may now be at risk. In terms of impact on communication related to the EITI, it notes that it is 'vigilant and cautious' in communicating and disseminating information about the MSG's activities.

The International Secretariat's assessment is that there has been a breach of the EITI protocol: Participation of civil society related to freedom of expression in the period under review.. While there was a vibrant civic space for the some portions of the period under review (2019-2025) International Secretariat is of the view that early indications of the application of the new law suggest there is evidence of self-censorship, amounting to restraints on freedom of expression, by civil society organisations substantially engaged in the EITI process.

Operation

Peru's 1993 [Constitution](#) (Article 2) guarantees freedom of association and recognises any person's right to join and establish foundations or other forms of non-profits without prior authorisation in line with the law. The ICNL's October 2023 [review](#) of Peru's legal framework for CSOs highlights constitutional provisions that non-profit organisations cannot be dissolved by administrative decision. Civil society organisations are governed by the 1984 [Civil Code](#) in Peru.

There are three main types of non-profit organisations in Peru: associations, foundations and committees. Committees are temporary in nature, while foundations are required to pursue religious, aid-based, cultural or other objectives of social interest, without defining the term "social interest" and associations face the least restrictions and can pursue any lawful purpose.

The ICNL's October 2023 [review](#) notes that most popular type of CSO is the association, given the fewer state controls. The ICNL's October 2023 [update](#) explains that, given the very sparse regulation of associations in the Civil Code, the Public Registry in each jurisdiction has a margin of discretion in registration, with variations in the criteria for registering an association across the different regions. The February 2013 reform of the regulation on registration of legal entities ("*Reglamento de Inscripciones del Registro de Personas Jurídicas*") sets a mandatory procedure for registration of CSOs. There has not been a documented pattern of challenges in CSO registration and all CSOs substantially engaged in the EITI process, including members of the broader constituency not directly represented on the MSG, appear to have been duly registered by the government. While no pattern has been found to date, the government's recent approval of amendments to CSO registration with the Peruvian Agency for International Development is cause for concern. It is too early to know how this law will be employed, but the International Secretariat, along with national and international organisations, will be closely following developments. In consultations, some civil society and international development stakeholders considered recent amendments to APCI to signify a concerted government effort to minimise criticism. While the amendments were not passed at the time that consultations took place, civil society stakeholders attributed this to international pressure, where more than 20 countries voiced their opposition to such rules.

The more challenging aspects of government regulations affect CSOs' ability to access funding, including from international sources. Civil society organisations are not automatically exempt from income tax payments as there is no state policy of tax benefits for non-profit organisations. The procedure for applying for tax-exempt status is reportedly restrictive and difficult to obtain according to an October 2023 ICNL [update](#), involving an application to the Tax Agency (*Superintendencia Nacional de Administración Tributaria* – SUNAT) and registration with the Register for Income Tax Exempt Entities (*Registro de Entidades Exoneradas del Impuesto a la Renta*). There have been several reforms in government oversight of associations that access foreign funding during the period under review. These reforms were partly aimed at addressing recommendations (particularly number 8) from Peru's mutual evaluation reviews (most recently in [2019](#)) under the Latin American Financial Action Task Force (*El Grupo de Acción Financiera de Latinoamérica* – GAFILAT) related to potential money-laundering and terror financing weaknesses identified in the government's oversight of NGOs, which were confirmed in Peru's 2021 National Risk Evaluation of Money Laundering [report](#). The term non-governmental organisation (NGO) is reserved in Peru for CSOs engaging in "*international technical cooperation*" involving foreign funding. In 2016, the Peruvian Agency for International Cooperation (APCI) issued several new directives requiring NGOs to renew their registration with the APCI. However, the ICNL's October 2023 [review](#) notes that the requirement to register with APCI was subsequently lifted (even if the registration option still appears on the APCI [website](#)), but that the APCI retained "supervision" of NGOs. Yet the ICNL report still raises concerns over the APCI's mandate to require extensive reporting from NGOs on their planned activities, sources of funding and other financial details.

Recently, Congress has considered further amendments to the regulations governing NGOs' access to international funding. In June 2024, the Foreign Affairs Committee of Congress approved a [bill](#) to modify the law establishing the APCI in order to strengthen its mandate to improve transparency and supervision of entities that manage "*non-reimbursable international technical cooperation*". This was reportedly the sixth Congressional proposal to revise the APCI law according to a June 2024 [article](#) from the Peru Support Group. The bill proposes introducing new powers for the APCI to dissolve indigenous peoples' or civil society organisations for working

on human rights monitoring, the establishment of a new database of CSOs engaging in political activism and new sanctions for the “misuse” of international funds. These provisions have been criticised by many CSOs and development partners, including in a [statement](#) from over 100 CSOs, a [letter](#) from CSOs to the OECD, a [statement](#) from several Embassies in Lima and letters to the international community from the Coordinator of Foreign Entities for International Cooperation ([COEECI](#)) and Interethnic Association for the Development of the Peruvian Rainforest ([AIDSESP](#)). The criticism has focused on the expected impact of the draft law on freedom of association given the vague and wide-ranging reasons for APCI sanctions on NGOs, as well as the requirement for mandatory registration of any organisation that engages in “political activism” with funds from international sources. This draft law was approved in March 2025.

A review of the operations and sources of funding for CSOs substantially engaged in the EITI process, including members of the broader constituency, indicates that all organisations appear to have been able to access funding from and cooperate with international organisations and CSOs during the period under review and prior to the enactment of the APCI law. However, only 23 of the 91 CSOs members of the broader civil society constituency engaged in the EITI have been registered with the APCI (as of June 2024 – see annex on APCI registrations of CSOs engaged in Peru EITI). The three CSOs directly represented on the MSG have been able to secure funding from international sources during the period under review, with the NGO ‘Law, Environment and Natural Resources’ (*Derecho, Ambiente y Recursos Naturales* – [DAR](#)) working with international bodies such as Article 19, NRGI, the Open Society Foundation, Transparency International, the Rainforest Foundation Norway, the Charles Stewart Mott Foundation and the European Union, the NGO ‘Citizen Proposal Group’ (*Grupo Propuesta Ciudadana* – [GPC](#)) working with NRGI, Brot für die Welt, USAID, Ford Foundation and OXFAM, and the Pontifical Catholic University of Peru (*Pontificia Universidad Católica del Perú* – [PUCP](#)) working with GiZ (Deutsche Gesellschaft für Internationale Zusammenarbeit). Other members of the broader civil society constituency engaged in the EITI process (which appears to include a total of 91 organisations according to the constituency’s open [letter](#) to government in May 2022 and membership of subnational MSGs) such as [CooperAcción](#), the Centre for Research and Promotion of Peasants (*Centro de Investigación y Promoción del Campesinado* – [CIPCA](#)) in Piura, the Bartolome de las Casas Study Center (*Centro de Estudios Bartolomé de las Casas* – [CEBC](#)) in Cusco, the Observatory on Conflict Minerals ([OCM](#)), OXFAM [in Peru](#), Transparency International’s Peruvian chapter [Peru Proetica](#), and the Interethnic Association for the Development of the Peruvian Rainforest (*Asociación Interétnica de Desarrollo de la Selva Peruana* – [AIDSESP](#)) have also been able to raise funding from international sources. Beyond domestic laws, a changing international landscape is sure to affect access to international funding as well.

There have been allegations of state surveillance of CSOs in the past. The Internet penetration rate of 75% in 2022 according to the [World Bank](#) obscures significant regional access differences, with only one in seven Peruvians owning a laptop and around 70%-80% of Peruvians in the Amazon and Andes regions not having access to the Internet, according to a February 2022 [report](#) by the NGO Brot für die Welt. Coordination of CSOs in those areas with weak or no Internet access remains based on phone calls, text messages and the use of community radios. There have been allegations in the past of state surveillance of CSOs, including in the period under review. In 2016, the media [reported](#) that the government had contracted an Israeli company to provide software for monitoring private citizens’ communications, for a total of USD 22m. More recently in October 2022, CSOs [reported](#) based on documents leaked to the Guacamaya collective that the military had been monitoring the activities of CSOs including Amnesty International, the Legal Defense Institute (*Instituto de Defensa Legal* – IDL), Human

Rights without Borders (*Derechos Humanos sin Fronteras* – DHF) and CooperAcción, the latter being a member of the broader CSO constituency engaged in the EITI process. Civil society stakeholders did not provide additional comments on state surveillance during consultations.

In response to the draft assessment, civil society organisations have provided early evidence of halting activities as a consequence of the passing of Law 32301 (APCI law). While implementing regulation is still outstanding, which will require the pre-approval of activities for foreign-funded organisations and their subgrantees, CSOs have noted several existing constraints which have come in force as of April 15, 2025. Firstly, one organisation has noted that it has retracted from participation in thematic hearings before the Inter-American Commission on Human Rights (IACHR), which brings cases against the Peruvian state. In terms of other immediate effects of the law, one civil society organisation has cancelled technical assistance to indigenous communities, for fear that acting as consultants and engaging in other litigation cases could run the risk of being considered as involved in litigation cases against the State, which are forbidden actions under Art 21.c). Civil society organisations have noted that the introduction of the requirement to register with APCI for subgrantee organisations has created a significant burden for grassroots organisations which in many cases lack the access to internet to fill out the registration, and lack the technical knowledge to fulfil the annual filing requirements. From an estimate of one CSO engaged in the EITI process, around 15 organisations in its network are directly involved on extractive governance issues and part of the wider EITI network. Other estimates of CSOs that commented on the draft report noted that over 50 organisations in its network are affected by this new requirement to register. There have been further direct impacts of the law. CSOs report that grant conclusion has slowed down, given the uncertainty created by the ambiguous law. Execution of existing work plans have slowed down, as CSO actors consider the future impact of the activities under the amended law. One civil society member noted that several CSOs have needed to engage law firms to help them navigate the new legal requirements, adding to the administrative burden to operate. While there have been no sanctions pronounced to date, civil society organisations have noted that the penalty fee is likely to put the CSO out of operation, if its license was not withdrawn, which is another sanction. Of the civil society organisations that provided comments to the draft report, all of them noted that the legislation will change the nature of activities and lead to cancellation of activities. Some organisations have noted that their donors have signalled a shift in focus to other countries, given the rising complexities in Peru for international cooperation. While the implementation of the requirement for pre-approval of work plans is still outstanding (requires additional regulation) CSOs, both engaged in the EITI and internationally active CSOs have noted that the law is likely to severely impede CSOs ability to operate because APCI could delay its approval or disapprove work plans,. This would in effect limit the ability of CSOs to operate and to adapt quickly to changing priorities. Finally, investigative journalists ([Convoca](#)) has noted that the law imposes such stringent requirements on investigative journalists, which would make it very unlikely for it to be able to carry out investigations such as the one into [mechanisms of gold trafficking](#) in five South American countries (Peru, Colombia, Brazil, Ecuador and Venezuela).¹² They cited [the potential impact of the law on future investigations, i.e. that they will now need to seek pre-approval](#) from the Peruvian government on the intention of the investigation, its objectives, method and when and where they intend to publish the report. They would also need to inform

¹² In it, the journalists reveal the discrepancies in the declared figures and the failed system of state control in Peru: <https://convoca.pe/investigacion/el-negocio-oscuro-de-las-plantas-del-oro-que-mueven-millones-en-el-sur-del-peru>

APCI on what other organisation they liaise with to carry out the investigation, which severely puts at risks its sources.

The International Secretariat's assessment therefore finds that there has been a breach of the EITI protocol: Participation of civil society related to freedom of operation in the period under review. While prior to the passing of the Law 32301 (APCI Law) available documentation suggested that CSOs substantially engaged in the EITI process have been able to operate in relation to all aspects of the EITI process without a pattern of government constraints, the situation has changed with the enactment of the APCI law. Early evidence submitted to the International Secretariat clearly demonstrates restrictions to operation, both in the type of activities carried out and a disproportionate administrative burden on grassroots organisations which are now in the scope of the APCI. While the effect of the law is in early stages, the existing evidence is considered a breach of the EITI protocol.

Association

Peru's 1993 [Constitution](#) (Article 2) guarantees freedom of peaceful association and assembly, with a requirement for advance notice only for assemblies held in public squares and thoroughfares. However, ICNL has [noted](#) that in practice, there is no specific law regulating the right to assembly and that the Ministry of Interior requires seven-day advance notification of "public gatherings"¹³ from organisers for all assemblies, not just those noted in the Constitution. While a permit is not required to organise public demonstrations, the US State Department's [report](#) on Human Rights Practices in Peru in 2023 notes that the government can restrict or ban public demonstrations at specific times and places to "ensure public safety and health". The latest update to the Directive regulating the Ministry of Interior's oversight of public assemblies (Directive [0009-2015-ONAGI](#)) in 2015 clarifies that a lack of government response within the allotted timeframe¹⁴ is the equivalent of a denial of the petition for a public assembly, with provisions for appeal by the organiser of the denied assembly. Yet in 2021, a Supreme Court judgement (*Recurso de Casación* [1464-2021/Apurímac](#)) confirmed the need for "guarantees for public gatherings of a social nature" and introduced fines for carrying out public assemblies without such "prior guarantees" or for exceeding the planned capacity of the assembly, provisions that have been [criticised](#) by the UN Special Rapporteur on the rights to freedom of peaceful assembly and of association, Clément Nyaletsossi Voulé, in May 2023.

The right to freedom of peaceful assembly was further constrained in the 2020-2023 period due to mobility restrictions introduced during the COVID-19 pandemic as well as declarations of a state of emergency nationwide and in specific regions during the 2022-2023 protests, and again in recent months at the end of 2024 and beginning of 2025. The government [introduced](#) a month-long nationwide state of emergency in March 2020, which was extended monthly until August 2022 and suspended citizens' constitutional rights to freedoms of peaceful assembly and of movement, and suspended the requirement for a government warrant before any arrest. Despite Peru implementing the earliest and strictest COVID-19 related restrictions in Latin America, it was nonetheless the hardest hit country in the region according to international media [coverage](#). Following a brief period when all states of emergency were lifted (between September and December 2022), the government reimposed a state of emergency in December 2022 amidst the unprecedented protests. In total, the government is reported to have declared

¹³ Defined as meetings, marches, parades, processions, feasts and religious services.

¹⁴ The timeframe is set at 15 working days for administrative remedies and at 30 working days for a decision.

or extended the state of emergency on 21 occasions¹⁵ in the period from December 2022 and September 2023, particularly in the south of the country, according to the OHCHR's October 2023 [report](#) on the 2022-23 protests. There have been legal reforms related to the police that have also been criticised by human rights organisations as potentially impacting law enforcement's approach to peaceful assemblies. Congressional revisions to the Police Protection Act enacted in March 2020 repealed the principle of proportionality in the police's use of force, exempted the police from criminal liability and limited the power of judges to rule on preventive detention of police officers accused of excessive use of force. These reforms have been criticised by the UN [OHCHR](#), the [OECD](#), [ICNL](#) and [CIVICUS](#).

There have been many reports of allegations of government dispersal of peaceful assemblies by force, particularly during the unprecedented anti-government protests in 2022-2023. The US State Department's [report](#) on Human Rights Practices in Peru in 2023 and [Human Rights Watch](#) have noted multiple, credible, reports of disproportionate and lethal use of force by security forces against protesters, which resulted in 50 deaths (almost all in the country's southern regions) and 1300 injuries in the December 2022–March 2023 period. Civil society reports cited in the [statement](#) by UN Special Rapporteur on the rights to freedom of peaceful assembly and of association, Clément Nyaletsossi Voulé, in May 2023 indicate that there were a total of 68 deaths in the context of protests between December 2022 and April 2023.¹⁶ According to the government Ombudsman Office's 'Social Conflict [Report](#)', there were a total of 38 deaths and 360 injuries in December 2022 alone. The National Journalists' Association has reported that 153 individual attacks or aggressions against journalists were recorded between December 2022 and February 2023, figures reported in the US Department of State's 2023 report. The visit of UN Special Rapporteur on the rights to freedom of peaceful assembly and of association, Clément Nyaletsossi Voulé, to investigate the protests in May 2023 [concluded](#) that there had been constraints on freedom to peaceful assembly and protest, reflected by the violent police response to the protests and the large number of protest participants detained that had contributed to the stigmatisation of protesters. Civil society organisations like [Human Rights Watch](#) have argued that the majority of deaths during the protests were due to excessive use of force by the police. The US Department of State's 2023 [report](#) notes steps by government to punish officials who committed human rights abuses but acknowledges that civil society have doubted the credibility of these government investigations. For instance, Human Rights Watch's 2024 World [Report](#) argues that the government has not taken steps to reform law enforcement to ensure such abuses are not repeated. During consultations, some civil society stakeholders brought the International Secretariat's attention to the [case](#) of eleven environmental defenders who were [sentenced](#) to an average nine years in jails on charges of aggravated assault, disturbances and obstructing the functions of a public official while protesting changes to the Environmental Impact Assessment associated with the Las Bambas mine. While the protest occurred in 2015, outside of the period of review, the sentencing occurred in the period covered by this Validation. While it does not appear that these individuals were associated with the EITI, their detention is a result of their involvement in protesting decisions made concerning natural resource governance.

There has continued to be a vibrant and active constituency of CSOs working on extractive industry governance issues in Peru since the previous Validation in 2019. The landscape of CSOs

¹⁵ Of these state of emergency declarations, four were in December 2022, two in January 2023, six in February 2023, three in March 2023, two in April 2023, one in May 2023, one in June 2023, two in July 2023, one in November 2024 and one in March 2025.

¹⁶ The reported deaths were in the regions of Puno, Ayacucho, Apurímac, Cusco, La Libertad, Arequipa, Junín, San Martín, and Lima, primarily in the country's south.

working on extractive industry issues is diverse, ranging from Lima-based think-tanks and research organisations including Citisen Proposal Group (Grupo Propuesta Ciudadana – [GPC](#)) and organisations working on natural resources and environmental issues such as Law, Environment and Natural Resources (*Derecho, Ambiente y Recursos Naturales* – [DAR](#)), [CooperAcción](#), the Observatory on Conflict Minerals ([OCM](#)), OXFAM [in Peru](#) and Transparency International’s chapter in [Peru Proetica](#), to investigative journalism organisations like Public Eye ([Ojo Público](#)) and IDL Reporters ([IDL Reporteros](#)), organisations representing indigenous people like [AIDSEP](#), organisations working on human rights like the National Coordinator of Human Rights (Coordinadora Nacional de Derechos Humanos ([CNDDHH](#)), national and regional universities such as the Catholic University of Peru (PUCP), Universidad del Pacífico, Antunez University of Ancash and University of Piura, as well as regional-based organisations like the Centre for Research and Promotion of Peasants (*Centro de Investigación y Promoción del Campesinado* – [CIPCA](#)) in Piura, the Bartolome de las Casas Study Center (*Centro de Estudios Bartolomé de las Casas* – [CEBC](#)) in Cusco.

There appears to have been a renewal of civil society MSG members in August-September 2023, reflected in letters of nomination of two new MSG members from [DAR](#) and the Centre for Research and Promotion of Peasants ([CIPCA](#)) published on the Peru EITI website. These two MSG members replaced former MSG members from DAR and GPC. It appears that the representative from PUCP was reappointed, as she participated in consultations related to Peru’s Validation. There is no further documentation available online of the way in which new civil society MSG members were nominated (see *Requirement 1.4*). The eight regional MSGs (in Moquegua, Piura, Arequipa, Loreto, Apurímac, Áncash, La Libertad and Cajamarca) include between three and four members from civil society in each region. Yet the civil society constituency engaged in the EITI process appears much broader than the MSG members, including a total of 91 organisations based on the signatories to the constituency’s open [letter](#) to government in May 2022 expressing concern over Peru’s suspension by the EITI and the membership of regional MSGs published on the Peru EITI website. These include CSOs based in Lima as well as community associations based in regional cities and in extractive regions.

There is evidence of regular coordination of civil society MSG members and their broader constituency, coordinated by the national CSO representatives, DAR and CIPCA. Consulted civil society stakeholders confirmed documentation provided for Validation, indicating that the broader constituency group convenes twice a year for formal meetings, with informal communication and coordination in between formal meetings. The broader constituency includes representatives from the subnational MSG, who are able to contribute to the broader constituency’s national agenda items for the coming year.

In response to the draft assessment, civil society constituency members engaged in the EITI process have noted that the registration requirements which have been introduced with Law 32301 (APCI Law) will limit the freedom to associate with civil society organisations, especially those on grassroot level. The law remains ambiguous, and it is unclear if there are sanctions if CSOs associate with each other if one or several have not been registered properly, and hence restrict the freedom of CSOs in engaging with other CSOs for collective action, or more concretely on information campaigns or investigations. Gina Romero, Special Rapporteur on the rights to freedom of peaceful assembly and of association, [noted in April 2025](#) that the approval of amendments to the APCI Law ‘seriously affects’ freedom of association in Peru. She further stated that the law in its current form, including the ambiguity in its provisions, will have serious implications for human rights, particularly the right to freedom of association, and move Peru

away from fulfilling its international commitments. Civil society stakeholders did not raise any particular incident or immediate evidence of the effect of the law on the freedom of association during the MSG commenting period.

The International Secretariat's assessment is therefore that there have not been breaches of the EITI protocol: Participation of civil society related to freedom of association in the period under review. Despite evidence of broader constraints on freedom of association and assembly, available documentation and stakeholder views suggest that CSOs substantially engaged in the EITI process have been able to associate with each other without a pattern of government constraints. CSOs have effectively coordinated and associated in relation to the EITI process, establishing an effective mechanism for coordination of the broader constituency. The impact of the APCI law on the freedom of association will need to be closely monitored.

Engagement

There is no indication of any legal, regulatory or administrative barriers to civil society's ability to engage in all aspects of EITI implementation in the period under review. At least one representative from civil society has attended all Peru EITI MSG meetings since the previous Validation in 2019, despite the lack of MSG meetings in 2022 (see *Requirement 1.4*), with evidence of CSOs actively contributing to the discussions as recorded in MSG meeting minutes published on the Peru EITI [website](#). The most consistent attendance at MSG meetings by civil society was by the MSG member from DAR, with the representative from PUCP attending several meetings in 2021 and 2023 and the representative from GPC attending several meetings in 2023.

There is evidence that civil society MSG members have provided input to the development of the two Peru EITI work plans (covering [2019-2021](#) and [2022-2024](#)) agreed in the period since the previous Validation. Principal areas of focus requested by civil society MSG members include further efforts on beneficial ownership disclosure, social and environmental expenditures, support for subnational MSGs and improved documentation of the environmental impact of extractive activities, including the publication of Environmental Impact Assessments. More broadly, civil society pushed for pointed recommendations to improve inter-agency functioning and information sharing to improve efficiency.

Civil society appears to have been a driving force in establishing regional MSGs, including in expanding to three new regions (Áncash, La Libertad and Cajamarca) since 2019. Three CSOs substantially engaged in the EITI process (CEDEPAS-Norte, GPC and DAR) secured a five-year grant from USAID under the 'Greater Transparency in the Extractive Sector' [project](#) from 2021 to 2026 to support the decentralisation of the EITI to more regions. This project built on a preceding USAID grant to GPC in 2018-2021 focusing on 'Building Better Management Practices and Governance of the Extractive Sector in Peru', which supported multi-stakeholder surveillance committees in the regions analysing the transparency and quality of public expenditures funded by extractive revenues, according to the [assessment](#) of CSO engagement in USAID projects in Peru. The 2021-2026 project focuses on 15 provinces in the regions of Apurímac, Arequipa, Áncash, Cajamarca, Cusco, La Libertad, Loreto, Moquegua, Piura and Ucayali. The future viability of projects funded by USAID should not be counted upon and it may be challenging for civil society to find alternate sources of funding to continue these efforts. Civil society organisations have been key to conducting outreach to government entities in new regions to encourage the establishment of new regional MSGs. For example, DAR held a [meeting](#) with the Regional

Government of Ucayali in June 2023 to discuss establishing a ninth subnational MSG in the region. The GPC [website](#) provides a repository of campaign materials and data related to EITI implementation in Arequipa for instance.

There is evidence that some CSOs engaged in the EITI process have undertaken outreach and dissemination, including in international forums. Thus, a representative from GPC [presented](#) its proposals for strengthening Peru's EITI process at a Summit of the Americas meeting in May 2021. Organisations engaged in the EITI have also made calls for extending EITI implementation to new areas, such as environmental impacts, as the CSO DAR did in 2023 according to media [coverage](#). Consulted CSO representatives pointed to other outreach activities conducted by the broader CSO constituency, including subnational EITI MSG's, such as [regional trainings](#) and efforts to communicate about the EITI in [Quechua](#).

There was significant civil society engagement on the issue of environmental impacts of the oil and gas industry in recent years, particularly following a catastrophic oil spill in January 2022. The government [declared](#) an environmental emergency after an oil pipeline serving the La Pampilla refinery operated by Repsol spilled around 12,000 barrels of crude oil in the Pacific Ocean near Lima, contaminating over 100 square km of sea, beaches and conservation areas according to [estimates](#) from the Ministry of Environment. The civil society constituency leveraged this incident for a campaign on the need for greater transparency on the environmental impacts of the extractive industries in an international advocacy campaign involving key CSOs engaged in Peru's EITI, such as [DAR](#) and [CooperAcción](#). This intense period of civil society advocacy in the first half of 2022 was acknowledged and supported by international NGOs like [CIVICUS](#) and featured calls by CSOs to extend the scope of Peru's EITI reporting to environmental impact monitoring.

There is more evidence of the broader civil society constituency coordinating on issues related to broader extractive industry governance than on EITI implementation specifically. There is ample documentation of CSOs publishing research, analysis and advocacy papers on social and environmental impacts of mining, oil and gas and other topics, albeit with little evidence of use of data from Peru's EITI process.

The International Secretariat's assessment is that there have not been breaches of the EITI protocol: Participation of civil society related to freedom of engagement in the period under review. Available documentation suggests that CSOs substantially engaged in the EITI have been able to engage in all aspects of EITI implementation without a pattern of government constraints. Yet while the leading CSOs based in Lima and the regional capitals with subnational MSGs appear engaged in all aspects of the EITI process, the frequency and quality of engagement from the broader constituency, particularly in extractive regions, remains unclear from the documentation available. There have been no documented immediate impacts of the APCI law on the freedom of engagement which were highlighted during the commenting period.

Access to public decision-making

There are several policies and law-making procedures that include civil society representation and input. At the national level, CSOs engage with the government in the context of the [National Accord](#), signed in 2022, which provides a set of policies for consultations on sustainable development and democratic governance. The ICNL [update](#) in October 2023 provides an overview of the different laws and regulations empowering civil society to influence public

decision-making. These include the Decentralisation Framework Act, the Regional Governments Organisational Act and the Participatory Budget Framework Act, which all promote citizen participation in policymaking. Several new laws and regulations in the period under review have expanded the channels for civil society engagement in policymaking. Supreme Decree 168-2020-PCM in October 2020 requires competent ministries to establish “*coordination mechanisms*” with regional governments, local governments, other entities, and civil society, as required for each policy. The 2018-2021 National Plan for Integrity and Anti-Corruption in Supreme Decree 044-2018-PCM institutionalises civil society’s role in the fight against corruption.

There is documented evidence of CSOs substantially engaged in the EITI process leveraging their positions on the MSG to advocate for reforms in extractive industry governance, particularly on socio-environmental impacts of the extractive industries. PWYP International supported the participation of local community members to high-level events, including supporting the leaders of the Chapra people to attend meetings in 2023 with the Rapporteur of the Inter-American Commission on Human Rights to discuss issues affecting her community, according to PWYP International’s 2023 annual [report](#).

There is less clear evidence of CSOs having used the EITI process to successfully implement reforms in extractive industry governance. The expansion in subnational EITIs is a key achievement of the period under review and will shed light on the transfer and use of canon and other subnational transfers. Consulted members of civil society at the subnational level attributed EITI implementation as the impetus for improved transparency at the subnational level. Nevertheless, some subnational stakeholders consulted, particularly from the Amazon region, stressed the threats and violence that many of them face from armed groups. They posited that government, perhaps through the EITI, must do more to regulate mining and logging activities in this area.

The International Secretariat’s assessment is that there have not been breaches of the EITI protocol: Participation of civil society related to access to public decision-making in the period under review. Available documentation suggests that CSOs substantially engaged in the EITI have been able to use the EITI process to influence public decision-making on extractive industry governance in the 2019-2024 period.

Assessment

The International Secretariat’s assessment is that Requirement 1.3 is mostly met.

Civil society’s submission as part of the MSG’s ‘Stakeholder engagement’ template considers the objective of ensuring that civil society is fully, actively and effectively engaged in the EITI process, and that there is an enabling environment for this, is mostly fulfilled. Stakeholders consulted largely considered that the objective was mostly fulfilled, citing capacity issues as the primary reason for ‘mostly met’ in the template. The template noted concerns about the, at the time (October 2024), draft APCI law, however it did not substantiate the concerns with actual impacts.

In the preliminary assessment, the International Secretariat’s view differed with civil society’s self-assessment of ‘mostly met’, given that civil society within the MSG could fulfil all functions expected of them as members of the Peru MSG. The International Secretariat’s appreciation of facts at that time was that broader constraints on civil society outside of the MSG by government, and civil society in the MSG by armed groups beyond government control do not constitute

breaches to the Protocol: Participation of civil society, for the period under review of the draft assessment (up to October 2024). However, during the MSG commenting period (mid-April to mid-May 2025) civil society representatives engaged in the EITI process shared several incidents and examples of how the recently enacted APCI law (April 2025) has had tangible effects on the freedom of expression and operation for civil society representatives substantially involved in the EITI process.

With regards to operation, the APCI law has created a high administrative and operative burden on grassroots organisations, including environmental and human rights defenders active on issues related to the impact of the extractives sector on local communities. These are often subgrantees, with limited access to internet and capacity to carry out the yearly reporting requirements. Examples of activities being halted, including technical legal assistance on rights issues related to extraction. The International Secretariat's assessment is that there has been a breach of the EITI protocol: Participation of civil society related to freedom of operation in the period since the amendment has passed.

With regards to association, there have been restrictions through repeated extensions of a state of emergency (both nationwide and in some (mostly southern) provinces) during much of the period under review. There have been restrictions on public demonstrations and the right of assembly, particularly during unprecedentedly large protests in December 2022 - March 2023. Yet CSOs substantially engaged in the EITI appear to associate and assemble freely, both in relation to the EITI process and on broader extractive industry governance issues. The civil society constituency engaged in the EITI process appears large and diverse, with evidence of 91 member organisations based on their advocacy to government on the EITI.

With regards to engagement, there is evidence of engagement by civil society in public debate on extractive industry governance. Civil society has played its role on the MSG and through EITI events, often driving the EITI process with industry during periods of government change. Yet key CSOs have continued their work and advocacy independently, particularly during periods of relative inactivity at Peru EITI such as in 2022, when the MSG does not appear to have met.

With regards to access to public-decision-making, there appear to be channels other than the EITI for CSOs to provide input to public policymaking. Yet the EITI has also effectively been leveraged by CSOs to pursue their advocacy on key issues of interest to their constituents, primarily the socio-economic impacts of the extractive industries.