

Lima, March 22, 2011

Ms.

Clare Short

Chair of the Board

Extractive Industries Transparency Initiative

Berlin.-

Dear Ms. Short:

We are pleased to address you and convey our appreciation for the support given to the Peruvian delegation participating in the 5th EITI Global Conference. As a result of the discussions held during that conference, we reached agreement on the required actions to be carried out by Peru's EITI National Work Commission, in order for Peru to achieve Compliant Country status.

In light of past confusion regarding the pending actions to achieve this status, we consider it important to confirm the terms of the conversation held with you and Mr. Francisco Paris. Specifically, on the basis of that discussion, we understand that in order to lift the reservations raised by the EITI Board of Directors, it is necessary to implement the following actions:

1. Definition by the National Commission of the "materiality" criteria and scope of payments to be included in the second conciliation study. In this regard, we inform you that during its last meeting the Commission agreed that the scope should retain the goal of 75% of the value of national mining and hydrocarbon production. Likewise, we reaffirm that the concepts that should be considered in this second study are: third category income tax, royalties (mining, oil and gas) and mining property rights.
2. Drafting of the Terms of Reference for a second National Conciliation Study for the years 2008 and 2009.
3. Drafting of an Action Plan to be implemented in the period 2011-2012, which specifies, inter alia, actions to broaden the scope of participating companies in a forthcoming conciliation study.

In line with the above, we wish to confirm what Mr. Paris has repeatedly stated, in the sense that the second Conciliation Study is not a necessary condition for achieving the status of Compliant Country, and that lifting

the reservations raised by the Board of Directors (actions 1-3) would be sufficient.



Finally, we wish to reiterate the National Commission's commitment to continue working to further the implementation of the EITI process in Peru and achieve the status of Compliant Country.

Sincerely yours,



Daniel Camac Gutierrez
**Presidente de la Comisión de Trabajo de la EITI
Perú**



C.c. Mr. Jonas Moberg - Head of Secretariat
Mr. Francisco Paris - Regional Director