

A case study for sustainable development in Peru

The Hunt Global Partnerships programme has worked on multiple projects in conjunction with its Peruvian operations.

By Ambassador
Jeanne L. Phillips



▼ The Hunt Global Partnerships programme “Promoting Healthy Communities” has created notable improvements in the prospects for young people in its area of operation.

In the field of community relations and corporate social responsibility, it is important to consistently remind ourselves that amidst efforts in the industry to gain a “social licence to operate” with various sets of stakeholders, ultimately we are working with human beings, often in dire living conditions. Ever at the centre of truly responsible corporate engagement programmes are the people and the families in the communities touched by our activities.

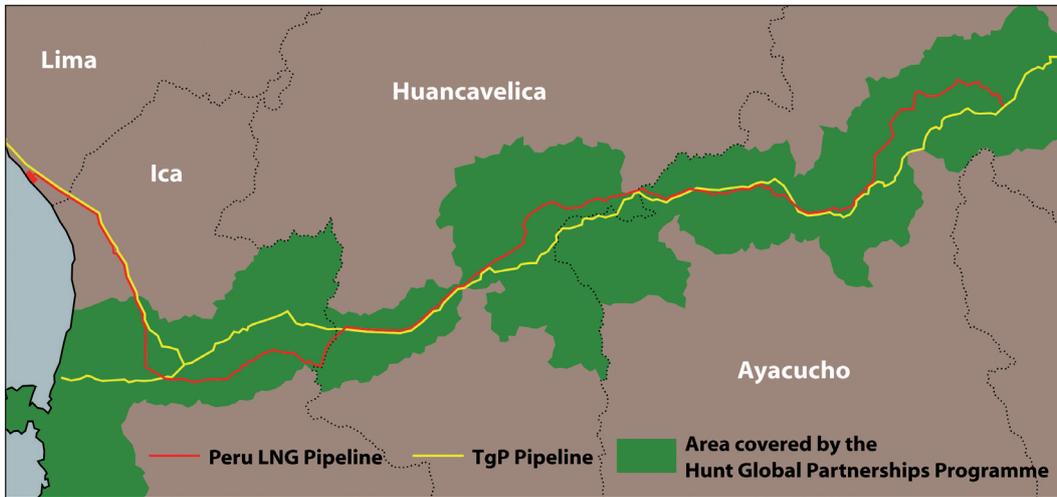
At Hunt’s core, we understand people and families, and the values that underpin our organization – commitment to excellence, honesty, integrity, respect for the individual, teamwork and creativity – stem from our family-owned structure and corporate culture. We are a privately held exploration and production company that has successfully conducted petroleum operations for more than 80 years. Today, Hunt is one of the leading indepen-

dent energy companies in the United States, with operations in North America, South America, Europe, Australia and the Middle East. We have drilled wells on every continent except Antarctica.

Everywhere we go around the globe, we absorb new members into our Hunt family. We engage these people as partners, in a model that addresses critical needs in the lives of real people. In the end, it is not only our obligation but our unique opportunity to improve their quality of life in a 21st century society that has been developed jointly and sustainably.

Hunt is committed to promoting positive long-term contributions to the economic and social fabric of the countries in which it operates. Hunt Global Partnerships (HGP), created in 2007, is the social responsibility model for the Hunt family of companies. At its foundation, HGP strives to bring to-





◀ Communities along the route of Peru's main gas pipelines served as the ideal beta site for implementing Hunt's new social model.

gether local communities, government entities and non-governmental organisations (NGOs) to provide critical services needed for individuals and their families living in Hunt's projects' area of influence.

Hunt's model focuses on collaboration with strategic partners in the field, coupled with a solid foundation of independent monitoring and evaluation. HGP programmes are implemented by NGOs that have extensive experience in development programmes and that implement best practices in social investment. Each programme begins with a comprehensive, third-party baseline study that is used as the starting point to measure results with the monitoring and evaluation team. We recognise that performance matters; therefore, we review these results annually to ensure that project goals are being met and that programmes are on schedule and within budget.

Hunt Global Partnerships was founded on a set of principles that guides our programme design around the world. They include:

Rigour

- Addressing high-priority problems affecting the target population.
- Focusing on the poorest sectors of the population in the area of intervention.
- Studying local needs with the help of outside experts and in consultation with the communities themselves.

Partnership

- Selecting NGO partners that have a proven record of success through a competitive bidding process.
- Promoting efficiency in the implementation of projects, high-quality services, optimal use of resources and replication of best practices.
- Co-financing by the community through manpower and local materials.

Sustainability

- Respecting the environment.
- Fostering ownership of projects.
- Implementing sustainable projects for the continuity of positive impacts once intervention is complete.

Adaptability

- Adjusting every programme to the particular needs and desires of each community.
- Respecting cultural diversity.

Accountability

- Establishing a third-party baseline study and monitoring and evaluation system to collect important indicators and data.
- Reviewing NGO partners' performance annually before contract renewal.
- Setting clear, measurable goals that are evaluated by an independent panel of expert advisers annually.



Transparency

- Providing transparency during project implementation and management of funds.
- Conducting effective communications.
- Publishing our plans, methods and results for the benefit of others contemplating similar work.

As we prepared to enter remote and little-studied regions of Peru, we turned to some of the best and the brightest in the academic world for independent consultation on the ecology and social fabric of the communities with which we were going to engage.

The Hunt Oil Company Peru Advisory Board was formed in 2006, and it comprises three internationally renowned experts in social development programmes, economics and biodiversity. The board advises Hunt on the best approaches for mitigating the social and environmental impacts of the company's operations in Peru.

Currently serving on the Advisory Board are: Wade Davis, professor of anthropology, University of British Columbia, former explorer-in-residence, National Geographic Society; Malcolm Gillis, former president and current professor of economics, Rice University; and Thomas Lovejoy, biodiversity chair, The H. John Heinz III Center for Science, Economics, and the Environment.

A partner in Peru's development

Hunt has been working in Peru for more than a decade and is committed to creating opportunities that have a lasting, positive impact on the welfare of the Peruvian people. In Peru, we identified needs in the areas of basic health and hygiene, education and capacity building, and we tailored our programmes to meet those needs. We provided outreach to more than 50,000 people in the area of influence at the local level, and worked closely with local residents to foster ownership and sustainability for each project. Third-party monitoring reports, which ensure transparency and effective outcomes, were a critical component of the success of the HGP model. Over the last seven years, HGP has established positive relationships with NGOs in Peru

and internationally, and our work has been recognised by the World Bank, the Inter-American Development Bank, the Peruvian government and the World Petroleum Council.

Geographically, Hunt Global Partnerships programmes in Peru have been implemented in the departments of Ayacucho and Huancavelica and the province of Pisco. Parts of Ayacucho and Huancavelica are more than 4,800m above sea level and are among the poorest regions in Peru; when HGP implementation started in 2008, they had poverty rates of 70%. Pisco is in an arid, desert region along the Pacific coast and had a poverty rate of 26% in 2007. Additionally, in August 2007, Pisco was one of the provinces most severely affected by a devastating 8.0 magnitude earthquake.

The "Promoting Healthy Communities" programme

The most widespread health problems in Ayacucho, Huancavelica and Pisco are child malnutrition, maternal and infant mortality, acute respiratory infections and acute diarrheic diseases among children under the age of five. HGP worked with two local NGOs to address these issues by promoting behavioural changes in families to improve household sanitation conditions.

The programme featured workshops covering hand-washing, malnutrition prevention, prenatal care and nutrition during pregnancy, as well as demonstrative sessions on how to prepare high protein meals. Additionally, the health programme constructed more than 2,300 new water systems, latrines and improved kitchens. By the end of its three-year period, "Promoting Healthy Communities" had achieved notably successful results in the region, with average decreases of 43% in the prevalence of chronic malnutrition and 31% in the prevalence of chronic anaemia in children under the age of five.

The "Successful Schools" programme

HGP's education programme focused on four critical areas: quality of teaching, family participation,

school management and support networks. The goal was to improve students' academic achievement by 20% in Pisco (15% in the highlands) in the areas of reading, communication and mathematics over a three-year period. The programme engaged parents to create appropriate home study environments for their children, and it trained teachers and principals on new methods of instruction and best practices in school management.

"Successful Schools" was implemented in partnership with two local NGOs and exceeded the original goals of the programme. Average proficiency in reading increased by 68%, while average proficiency in mathematics and communication increased by 108% and 27%, respectively. In addition, 13,000 school children received backpacks and school supply kits.

The "Developing Local Potential" programme

This government capacity building programme took place in two stages over three years. The first stage focused on management skills, public investment and participatory budgeting, while the second stage of the programme involved the development of quality public investment projects.

Programme participants were able to mobilise funding for 60 projects valued at \$36.6 million from public investment resources in the agriculture, education, health, sanitation and transportation sectors. Thirteen of these projects, valued at a collective \$11.2 million, received financing with HGP support by the end of the capacity building project.

Looking to the future

Through a combination of ongoing community participation, strategic partnerships and independent monitoring and evaluation, we have been able to achieve real, sustainable results over the first seven years of HGP programme implementation. We have learned lessons along the way and have refined our programmes accordingly, but we have carefully abided by our six principles and can now report that the positive results of our model have



been significant. The statistics are conclusive and the personal stories from the communities we have engaged express the local empowerment and shared value that has been developed through Hunt's programmes for the people in the region – a Peruvian family that now includes more than 125 communities and over 50,000 people.

Moving forward, Hunt Global Partnerships will continue to grow its award-winning programmes – and its family – around the world in pursuit of a healthier, smarter, more sustainable future.

Ambassador Jeanne L. Phillips is Senior Vice President, Corporate Affairs and International Relations, Hunt Consolidated, Inc. and President, Hunt Global Partnerships (www.huntconsolidated.com).

▲ Health workers implementing Hunt Global Partnerships initiatives have been recognised by Peru's Ministry of Health for their positive contributions.

Awards and recognition for HGP

2009 Best Corporate Social Responsibility Campaign, Petroleum Economist magazine.

2010 Sustainable Development Award for Promoting Local Development, Peru's National Society of Mining, Petroleum and Energy.

2012 Sustainable Development Award for Promoting Local Development, Peru's National Society of Mining, Petroleum and Energy.

2014 World Petroleum Council's Excellence Award in Social Responsibility at the 21st World Petroleum Congress in Moscow.