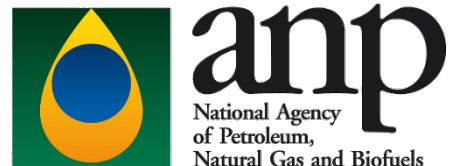


Transfer of Rights Surplus Production Sharing Bidding Round

Heloisa Borges Bastos Esteves

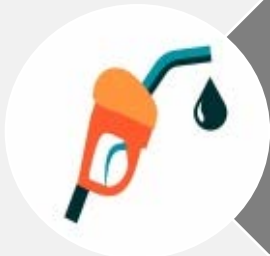


OTC Houston, May 2019

O&G scenario in Brazil



Unique E&P opportunity:
- fast production development
- reserves and production growth



Creation of a competitive, open, diverse and internationally referred refining and fuels market



Development of a diverse and competitive supply chain and services market

Bidding round schedule and open acreage



Need of additional service companies

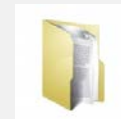


Diverse and Competitive E&P Market

Petrobras divestment plan



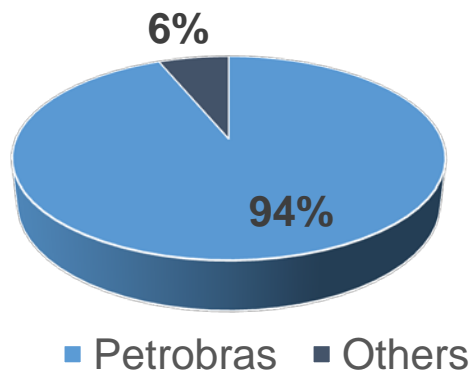
Improvements in the energy policy



The **greatest** transformation in the Brazilian E&P sector, completing the opening which started in 1997

A diverse oil industry

Goal: to create a regulatory environment that enables the establish of a real oil industry in Brazil, with a significant number of players operating in each environment



Only **29** companies operate production fields in Brazil

Only **43** companies produce in Brazil

Only **4** companies operate production in Brazilian deep water
(feb,2018)



Petrobras' **divestment plan** (more than 100 concessions)

Partnerships with majors in the big mature fields

Bidding **Rounds/** Open Acreage

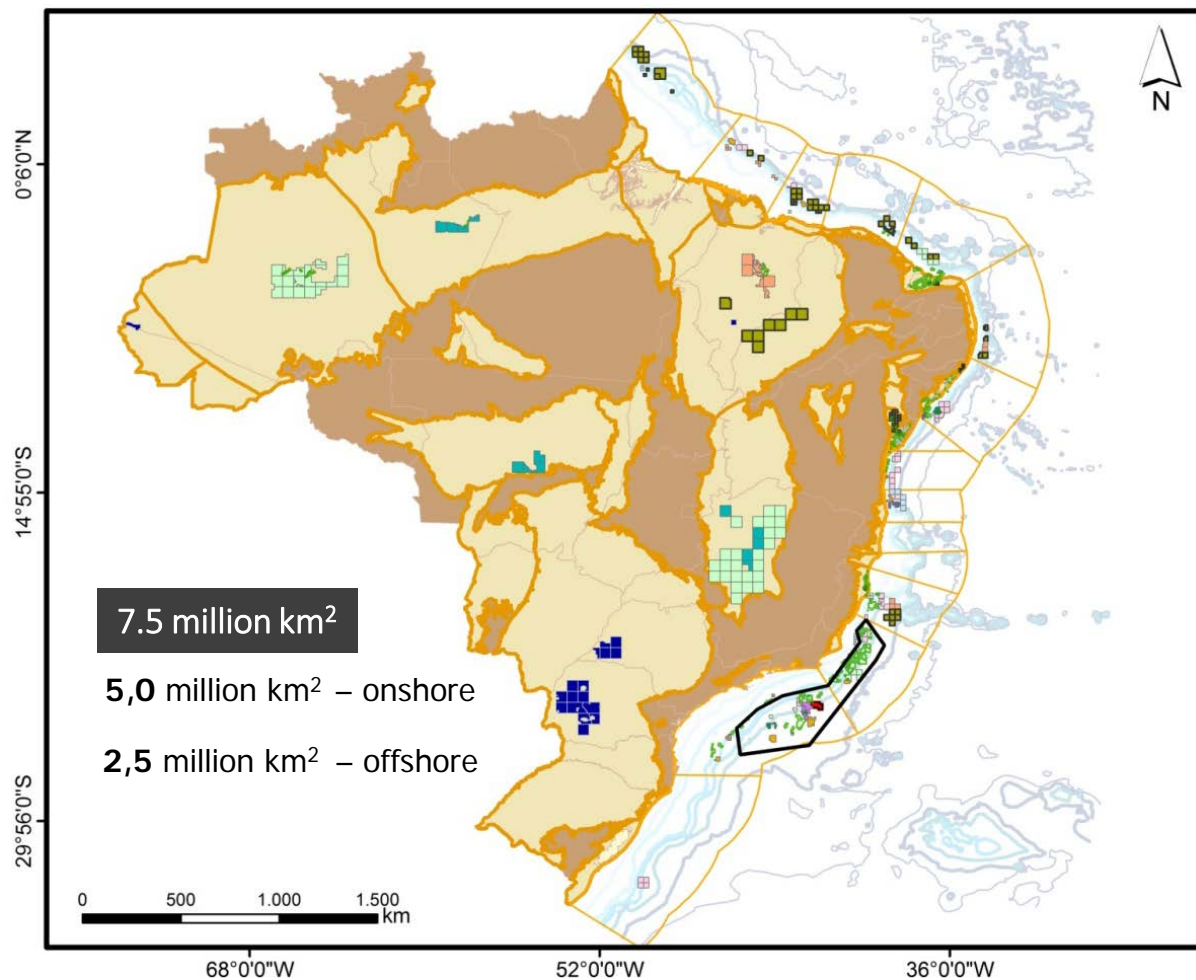
A diverse oil industry with **multiple players** and **operators**



94% of the Brazilian production is operated by Petrobras.

A **diverse** oil industry (open and competitive market)

Brazil: three fiscal regimes



Concession Contracts

Law N. 9.478/1997

~ 98 % of sedimentary areas:
 Hundreds of blocks and fields under contract:
 only ~ 4% of these sedimentary areas

Production Sharing Contracts

Law n. 12.351/2010

~ 2% of sedimentary areas = pre-salt polygon

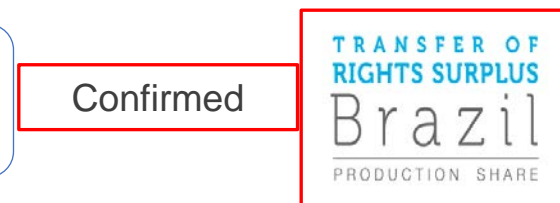
Transfer of Rights

Law n. 12.276/2010

Development areas will be offered.

Brazil: 4-year Bidding Rounds Plan

Predictability for the Oil Market



Transfer of Rights Surplus
Under Production Sharing regime, the development areas of Atapu, Búzios, Itapu and Sepia in the Santos Basin will be offered.

Bidding Rounds

Bidding
Commission (CEL)
In internal phase

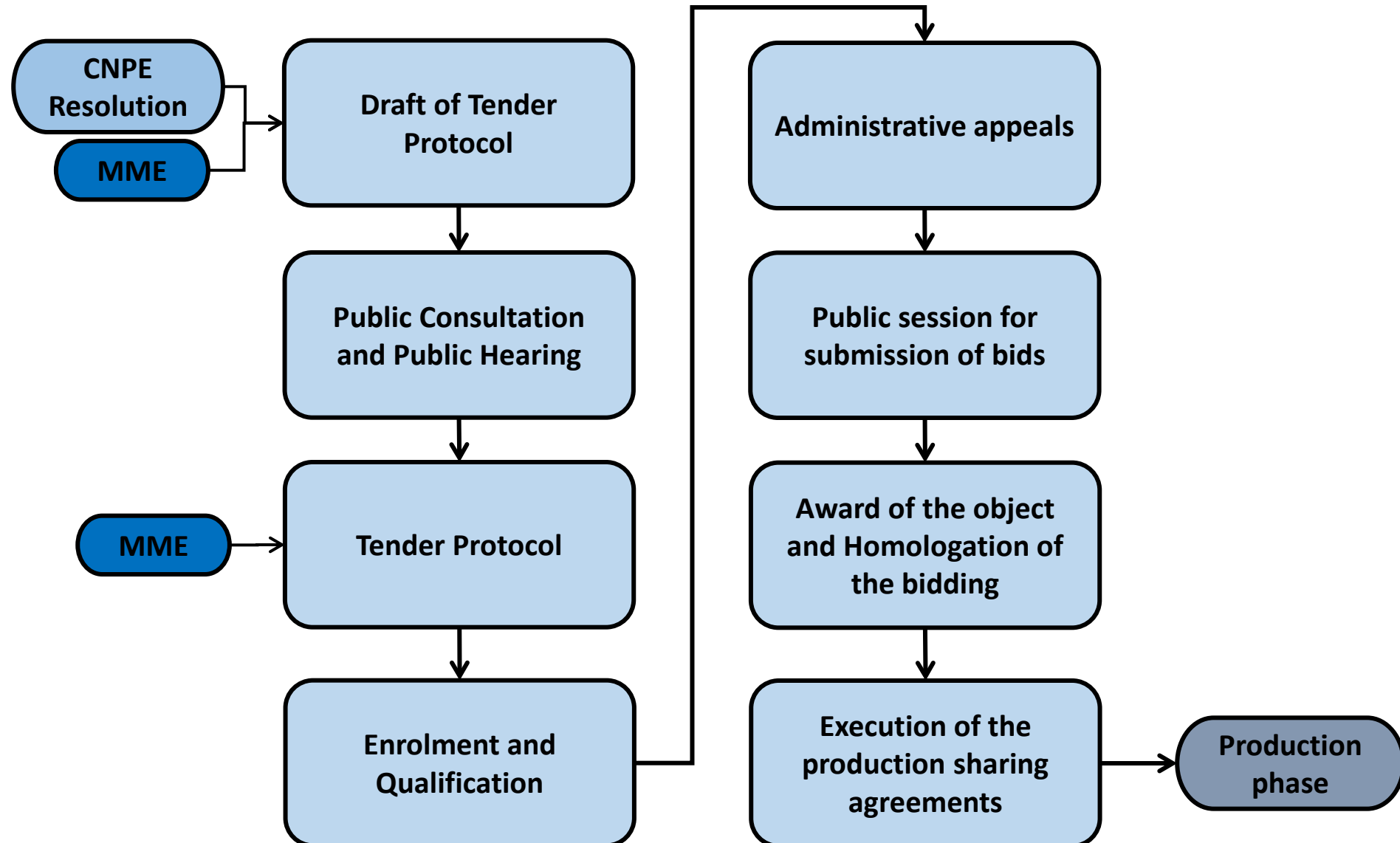
- 5 effective members: 3 from ANP and 2 from the society, plus a federal prosecutor
- Judges enrolment and qualification
- Judges the offered bids

ANP
In external phase

- Publishes the tender protocols and contract models
- Coordinates the documents analysis
- Coordinates the bidding rounds and the public sessions

Macro Bidding Process: Production Sharing

(ANP Resolution nº 24/2013)



Conditions to participate in the bidding process

Who can participate?	Domestic or foreign legal entities may participate, individually or in a consortium as long as they are qualified and fully comply with all provisions of the tender protocol and the applicable laws and regulations. FIPs* can participate as non-operator, offering their offer as part of a consortium.
Submission of the documents to express interest	Enrolment is mandatory for each interested company, even those intending submit bids through a consortium. Companies must enrol separately for each bidding round.
Payment of the participation fee and access to technical data package	Fill out the electronic enrolment form; Fee payment; Confidentiality Agreement and Proof of the representatives powers
Qualification requirements	Submit the documents for Technical; Economic and Financial; Legal and Tax and Labour Compliance. Documents shall be submit individually by each of the members.

Qualification requirements

Technical

**Economic
and
Financial**

Legal

**Tax and
Labor
Compliance**

- PSC Biding rounds: required to presente bids;
- Contract transfers: required for ANP's approval.

Consortia

Documents shall be submit individually by each of the members.

Economic and Financial Requirements (PSC 6)

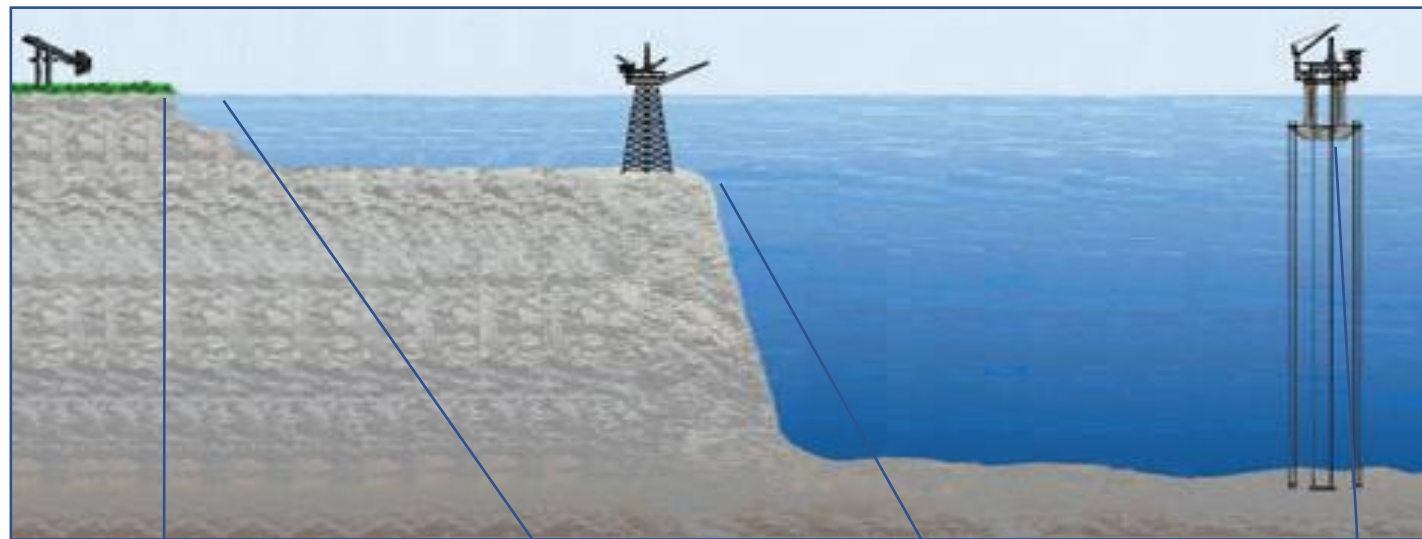
a) Financial Statements

b) Independent auditor's report

c) Summary of Financial Statements (foreign bidders).

Qualification Level	Minimum Net Equity (in R\$)
Operator A	R\$ 278,000,000.00
Operator B	R\$ 76,000, 000.00
Non-Operator	R\$ 69,500, 000.00

Technical Requirements



Non-Operator	Operator D	Operator D	Operator B	Operator A
Consortia	Marginal Fields	Onshore areas, (except remote areas)	Shallow waters and Onshore	Deep water, shallow waters and Onshore

2 a 29 points

30 a 80 points

**>= 81 points +
Currently operating offshore
areas**

Legal requirements & Tax Compliance

a) Corporate documents - if amended since the lastest submission to ANP;

b) Declaration of absence of restraints on the execution of the Contract;

c) Declaration on relevant legal or judicial claims

d) Tax, Labor and Federal Contributions Clearence Certificates

Transfer of Rights Surplus Bidding Round

Law N° 12.276/2010

Establishes that the Transfer of Rights Surplus Agreement shall have effects until Petrobras drills the equivalent number of barrels of oil, and it may not exceed 5,000,000,000 (five billion) equivalent barrels of oil.

CNPE Resolution 02/2019

Guidelines for the Bidding Round on a Production Sharing basis for the volumes exceeding the ones purchased in the Transfer of Rights Surplus regime.

CNPE Resolution 06/2019

Approves the technical and economic parameters of the Transfer of Rights Surplus Agreement for the Bidding Round under the Production Sharing regime.

MME Portaria n° 213/2019

Establishes the guidelines for calculating the compensation due to Petróleo Brasileiro SA - Petrobras for the investments made in the Campos de Búzios, Atapu, Itapu and Sepia, as a result of the bidding of the surplus to that contracted under the Transfer of Rights.



Rodadas

de Licitações de Petróleo e Gás Natural

PORTUGUÊS



PÁGINA INICIAL

About the bidding rounds

Open Acreage

Agreements Assignment

BIDDING ROUNDS

- Transfer of Rights
- Surplus Production
- Sharing Bidding Round

6th Production Sharing Bidding Round

16th Bidding Round of Blocks (2019)

14th Bidding Round

PLANNING BIDDING ROUNDS

About the bidding rounds

ABOUT THE BIDDING ROUNDS

ABOUT THE BIDDING ROUNDS

E-BID DATA PACKAGE

OPEN ACREAGE

<http://rodadas.anp.gov.br/en/>

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rodadas@anp.gov.br

THANK YOU