

MEMBER COUNTRY PROFILE - BRAZIL

Country:	Brazil
Organization:	National Agency of Petroleum, Natural Gas and Biofuels (ANP)
Regime Scope:	Regulatory body for the activities related to the oil, gas and biofuels industry (upstream and downstream)
Administering Agency /Arrangements:	ANP is attached to the Ministry of Mines and Energy, being the federal agency responsible for implementing the national policy for the energy sector, according to the Petroleum Law (Law n° 9478 of August 6 th 1997).
Legislation Type:	The ANP is led by a director board, composed by five directors (one general and four technical) with a four-year term each one. Deliberative sessions take place weekly in order to issue instructions, rules and resolutions to the industry and to solve conflicts between economic agents and consumers. Acts that may affect industry are submitted to public hearings.
Extent Of Government Approval:	<ul style="list-style-type: none">- Promotes geological and geophysical studies to identify potential basins for hydrocarbon production; and organizes and maintains hydrographic basins and petroleum technical data on a database- Performs bidding rounds for exploration, development and production of hydrocarbon areas, signs the concession contracts on behalf of the Union and supervises the execution of the contracts- Calculates the amount of royalties and other tributes owned by the States and the Union- Authorizes and supervises the activities of refining, processing, transportation and the import and export of oil and gas- Authorizes and supervises the activities of production, storage, import and export of biodiesel- Authorizes and supervises distribution, storage, resale and quality of fuels- Promotes research and development of petroleum technology
Nature Of Duties Imposed:	<ul style="list-style-type: none">- Constitution of the Federative Republic of Brazil, Article 177- Law 9478/1997, which instructs the national energy policy, activities related to the oil monopoly, creates the National Energy Policy Council (CNPE) and ANP- 9847/1999 Law, which instructs inspection of the activities related to national fuel supply- Decree n° 2455/1,998, which establishes the ANP

- Decree n° 2,705/1,998, which defines criteria for calculation and collection of royalties and special shares
- Law 11097/2005, which introduces biodiesel in the national energy matrix
- Law 12351/2010, which instructs the production sharing regime for the pre-salt areas
- CNPE resolutions

Physical Objects In - Oil, gas, fuels and biofuels pipelines: around 19,700km

The Regime:

- Refineries: 18 facilities
- Onshore and offshore fields: 441 units
- Onshore and offshore drilling facilities: 67 units
- Biodiesel plants: 56 units
- Ethanol plants: 382 units
- Lubricants producers, collectors, refiners and importers: 354 companies
- Oil and derivatives import and export traders: 517 companies
- Aviation kerosene distributors and resalers: 229 companies
- Asphalt distributors: 27 companies
- Fuel, biofuel, solvent and LPG distribution bases: 257 facilities
- Fuel and biofuel transporting, distribution and retail facilities: 382 units
- Fuel and LPG resale stores: over 98.456 units

Assurance Mechanisms:

- Government inspectorate: audits, inspections and monitoring through systems
- Offices located in Rio de Janeiro (central office), Brasília (headquarter), São Paulo (1 unit), Salvador (1 unit), Manaus (1 unit), Belo Horizonte (1 unit) and Porto Alegre (1 unit)
- Agreement with the Brazilian Navy for joint operation on safety issues
- Agreement with State Fire Brigades and Finance Secretaries to support downstream inspections
- Contracts with Federal Universities and other research institutes to support fuels and biofuels quality analysis

Financial Basis:

- Union budget funds, dependent of Congress approval
- Concession contract signature bonuses (paid by companies that obtain concession areas)
- Fees and fines
- Trading of geological and geophysical data from the National Database of Exploration and Production (BDEP)
- Areas occupation/retention taxes

Research N/A

Profile Date: February 2017