MEMBER COUNTRY PROFILE - BRAZIL

Country: Brazil

Organizations: Superintendency for Operational Safety and Environment (SSM)

Regime Scope: To regulate and to supervise activities related to process safety within

the Exploration & Production (E&P) sector, both onshore and offshore

operations.

Administering Agency /

Arrangements:

SSM is part of the National Agency of Petroleum, Natural Gas and Biofuels (ANP). 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 6th, 1997).

Legislation Type: Resolutions, Concession Agreements with ANP.

Extent of Government Approval:

I – to propose operational safety regulations for E&P operations and to enforce it, focusing on the protection of human life, environment and assets:

II – to analyze information on incidents and to promote the investigation of relevant accidents:

III – to assess the inclusion of operational safety best practices in the ANP's regulatory framework, when required by other ANP's departments, including midstream and downstream sectors;

IV – to coordinate institutional relations and to propose cooperation agreements with public or private entities, regarding operational safety and environment subjects within E&P activities;

V – to analyze the safety performance of the E&P operations; and VI – to approve operational safety documentation, decommissioning programs and decommissioning reports.

Nature of Duties Imposed:

Performance-based requirements, structured in supervision framework, safety management systems, and decommissioning rules:

Supervision Framework:

- Law n° 9.478/1997
- ANP Resolution n. 44/2009: it establishes the procedure for duty holders on reporting incidents to SSM.
- ANP Resolution n. 851/2021: it establishes the responsibilities and the procedure for duty holders on solving nonconformities identified by auditors from SSM.

Nature of Duties Imposed (Continued):

Safety Management Systems:

- ANP Resolution n. 43/2007: it establishes the Technical Regulation of the Operational Safety Management System (SGSO), applicable to offshore drilling and production facilities.
- ANP Resolution n. 02/2010: it establishes the Technical Regulation of the Structural Integrity Management System (SGI) for onshore production facilities and expands the application of the SGSO to onshore activities when carried out by companies that operate offshore.
- ANP Resolution n. 06/2011: it establishes the Technical Regulation of Onshore Pipelines (RTDT).
- ANP Resolution n. 41/2015: it establishes the Technical Regulation of the Subsea Operational Safety Management System (SGSS).
- ANP Resolution n. 46/2016: it establishes the Technical Regulation of the Well Integrity Operational Safety Management System (SGIP), applicable to both offshore and offshore wells.

Decommissioning Rules:

 ANP Resolution n. 817/2020: it establishes rules on decommissioning of exploration and production assets.

Physical Objects in the Regime:

Offshore and onshore assets, including surface and subsea structures, equipment, wells and pipeline.

Assurance Mechanisms:

Enforcement actions involve:

- providing information and advice
- issuing orders
- issuing fines
- shutting down operations, establishing prohibitions and exemptions
- withdrawing approvals

Enforcement strategy involves:

- meetings
- audits
- accident investigations
- performance analyses
- cooperation in specific projects on good practices

Financial Basis:

To ANP:

- Government budget funds, which depends on Congress approval
- Bidding rounds bonuses (paid by companies that obtain concession areas)
- Fees and fines
- Enabling geological and geophysical data access from the National Database of Exploration and Production (BDEP)

Environmental Regulation Responsibilities:

Issues related to environmental regulation are responsibility of the Brazilian Institute of the Environment and Renewable Natural Resources (Ibama) and the environmental state agencies.

Oil Spill Response:

Issues related to oil spill response are responsibility of the Brazilian Institute of the Environment and Renewable Natural Resources (Ibama), Maritime Authority, and the environmental state agencies. The ANP may act as member or leader of the emergency response structure of the National Contingency Plan triggered by major oil spills, depending on the source of the emergency.

Transparency:

Data and information from SSM actions can be consulted at: <a href="https://www.gov.br/anp/pt-br/assuntos/exploracao-e-producao-de-oleo-produc

e-gas/seguranca-operacional-e-meio-ambiente.

A Dynamic Panel with real-time data regarding activities is available at: https://app.powerbi.com/view?r=eyJrljoiZmMwMDk3NWQtOThk

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Research

E&P production sharing contracts or highly productive concessions paying special participation are required to invest 0.5 to 1% in research,

development and innovation.

Profile Date:

January, 2022