



Oil and Gas sector in Brazil



Brazil is:

- Brazil is **South America's largest oil producer**
- **9th largest global oil producer**
- **7th largest oil consumer**

- Brazil owns the **15th largest world proven reserves of 12.67 billion barrels of oil and 372 billion cubic meters of gas**

- In 2017, data from the Brazilian National Oil Regulator (ANP) shows that Brazil produced 2.6 MMbpd of oil, **95% of which comes from offshore, very deep water.**
- The development of deep-water and especially 'pre-salt' resources have driven dramatic increases in Brazil's production, with pre-salt production **surpassing 50%** of overall production in 2017, with an average of 1.7 MMbpd. **Natural gas production** reached 113 MMm³/day in 2017.

Significant **energy reforms**, frequent **oil finds**, and recent **oil bidding rounds** have been attracting International **Oil Companies (IOCs)** from around the world.

There were **three oil bidding rounds in 2017 and two in 2018.**

Companies like **Exxon, Shell, Equinor, Petrobras**, and others have won several oil blocks.

New investments are estimated at US\$ 80 billion that includes more than 300 offshore wells, 17 new production units, and 600 km of gas pipelines, according to the Brazilian Petroleum and Gas Institute (IBP).

Brazil's oil and gas regulator (ANP) has renewed the exploration and production concession contracts of several fields lately, in exchange for increased production, deep-water oilfield life extension services should be in high demand. The same demand will apply to operational efficiency programs.

Oil platform decommissioning is another good prospect in Brazil as many of Brazil's offshore production units are aging. Of the 158 oil & gas offshore production platforms in Brazil, 67 have been in operation for over 25 years and will soon need to be decommissioned (*).

Specifically, industry sources believe that the following decommissioning areas will be in demand:

- Fixed oil platform disposal units
- Creation of artificial reefs
- Well abandonment
- Waste and effluent management for exploration and production activities
- Environmental licensing for decommissioning projects
- Decommissioning plan elaboration
- Ballast water and bio invasion
- Subsea decommissioning
- Engineering dismantling of offshore structures

Aside from Petrobras, 47 local and 50 foreign companies hold oil exploration and appraisal areas in Brazil. Hence, opportunities to supply these oil companies in Brazil also exist.



As the largest oil and gas player in Brazil, Petrobras' demand for equipment and services over the next years may include:

Category: Well services, FPSO and Rig Leasing

- FPSO and floating rig leasing
- Well integrated construction services
- Services of cementing, well evaluation, drilling, and logging
- Managed pressure drilling (MPD) services
- Fluid, completion, and casing management services
- Mudlogging
- Diving Support vessels

Category: EPC and Engineering Services, Project Design, and Revamp

- EPC/Construction & assembly of stationary oil production units (UEP) and industrial plants
- EPC/Construction & assembly of land pipelines
- Maintenance of UEPs, oil and gas pipelines
- Technical conformity assessments
- Industrial unit projects
- Oil and petrochemical processing projects
- Support to engineering project management
- Civil construction
- Oil platform decommissioning (*)

Category: Subsea Systems and EPCI

- Flexible lines and accessories
- EPCI for subsea projects
- ROV and diving support systems
- Manifolds, subsea PLEMs and PLETs, tools, and parts
- Electro-hydraulic umbilicals and accessories
- Wet Christmas trees, associated tools, and spare parts
- Polyester cables, mooring, and anchor systems
- Drill pipe risers
- Subsea equipment (pigs, ESDVs, and others)
- Geodesy

Category: Valves, Tubing, Fittings, and Static Equipment

- Casing tubes (OCTG)
- Pressure vessels
- Heat exchangers
- Manual and actuated valves: sphere, butterfly, globe, retention, and other types
- Process ovens and towers

Category: Industrial Equipment

- Turbogenerators and turbo compressors
- Motor pumps and motor compressors
- Cranes
- Maintenance support for rotary equipment

Category: Logistics

- Vessel, airplane, and helicopter leasing
- Storage, transportation, and materials control
- Port tugs/dredges
- Land load and personnel transportation

Category: HSE, IT, and Geophysical

- Software development, maintenance, licensing, and technical support
- Seismic acquisition and processing
- Environmental Defense Centers (CDAs)

Category: Chemicals and Catalysts

- UFCC and HDT catalysts
- Chemical products for oil/gas exploration and production
- Chemicals (gas dehydrators, corrosion inhibitors, additives, and several others)
- Solvent and kerosene markers
- Special gases, nitrogen, etc
- Lubricant oil for engines and pumps



For more information on the sector, please contact:
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