

Brazil O&G Process Automation Spending will grow at 5.1 percent CAGR 2018 to 2022

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Increasingly Foreign-Friendly Brazilian Government Continues to Modify Key Regulations, Bringing More Foreign Investment to its Oil Industry

Brazil Oil Production will grow at 5-Year CAGR of 4.5 percent (2018 to 2022)

EIA Country Analysis Brief: Brazil

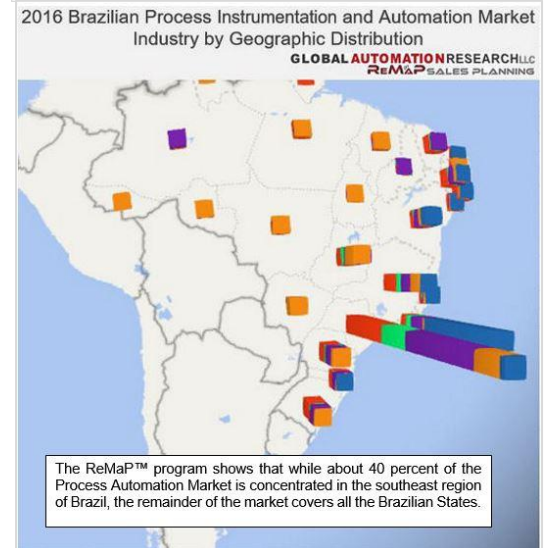
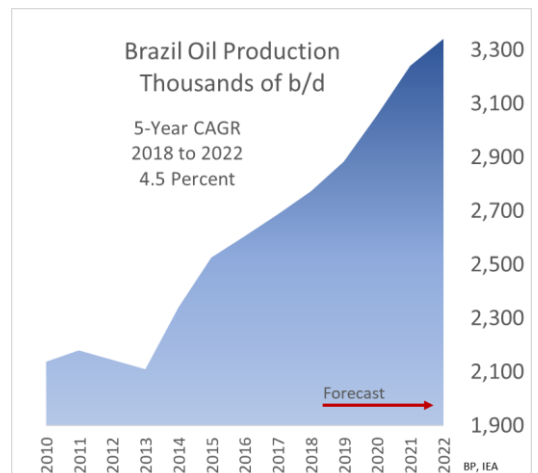
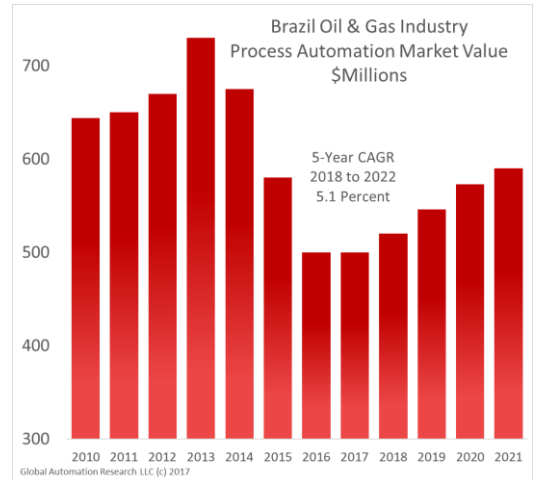
The U.S. Energy Information Administration (EIA) published its latest Country Analysis Brief on Brazil. The Brief of 17 pages lays out key aspects of the Brazilian energy industry for each energy sector and discusses the industry, economic, and regulatory situation in each.

EIA Brief Highlights:

Spotlight on the Brazil Oil Industry

Brazil opened its oil industry to private development in 1997. Beginning with Shell, 11 major foreign companies and one domestic company, OGX, began development and production in Brazil.

- In 2016, Petrobras changed from mandatory operator to preferred operator of the Pre-salt oil development, reducing impediments to greater private and foreign investment in the development of Brazil's offshore oil blocks. To begin addressing the largest company debt in the world, Petrobras began divesting assets beginning with oil fields, now moving on to midstream and distribution assets.
- In February 2017, the Brazil government proposed changes to local content requirements that were up to 85%, and lowered fines for non-compliance. With few competitive local suppliers, foreign investment was limited. With the change, Brazil is expected to significantly increase its oil production in the future.
- Refining capacity in Brazil is about 2.2 Mb/d in 9 refineries. Petrobras completed its first greenfield refinery in a decade, the 115,000 b/d RNEST refinery with a second phase doubling the capacity by 2020.
- Due to the Petrobras critical financial situation, two new refineries, totaling 900,000 b/d, have been cancelled.



By the Numbers

- *Brazil is the ninth-largest liquid producer in the world and the third-largest producer in the Americas. It is also the eighth-largest total energy consumer in the world.*
- *Brazil was the largest producer of petroleum and other liquids in South America in 2016, surpassing Venezuela.*
- *The world's largest oil discoveries in recent years are in Brazil's offshore, pre-salt basins.*
- *Despite Brazil's significant reserves, natural gas accounted for only 11% of Brazil's total primary energy consumption in 2016. Brazil's natural gas reserves are located primarily offshore in the Campos Basin*

To see the full report, CLICK>> www.eia.gov/beta/international/analysis.cfm?iso=BRA