



THINK GLOBAL, ACT LOCAL

July 2013

ANGOLA, MOZAMBIQUE AND BRAZIL OIL AND GAS LEGAL UPDATES

ANGOLA

The Ministry of Petroleum approved, last May, the division of the Lower Congo Basin in 10 onshore blocks (CON 1, 2, 3, 4, 5, 6, 7, 8, 9 and 10) to enable future petroleum concessions.

In addition, immediately after the division of the Lower Congo Basin, an Interministerial Committee for the Onshore Development of the Kwanza and Lower Congo Basins was created by the President of the Republic of Angola, as set forth by the enacting legal diploma. This Committee is coordinated by the Minister of State and Head of the Presidential Civil House and the Ministers

of Petroleum, Planning and Territorial Development, Land Administration, Environment, Agriculture, Industry, Construction, Urban Planning and Housing and the President of the Board of Directors of Sonangol E.P. (the National Concessionaire) are members thereof.

The Interministerial Committee was granted powers to define the bidding specifications and rules and to assess the relevant bids in accordance with a pre-defined schedule. This Committee is also responsible for maximizing business opportunities and for promoting the engagement of Angolan entrepreneurship in the Kwanza and Lower Congo Basins.

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FUNDAÇÃO
PLMJ

Lino Damião (detalhe)
Kotidi, 2007

Acrílico e pasta de modelar
s/ tela
80 x 100 cm
Obra da Coleção CPLP da
Fundação PLMJ

BRAZIL

The National Energy Policy Council passed a resolution authorising the First Bidding Round under the Production Sharing Agreement (PSA) regime for the Pre-Salt areas of the Santos Basin. The Bidding Round for the 1,547.76 km² prospect now called "Libra Field" will be held in October 2013.

The rules of the tender, which are currently under discussion – together with the SPA draft –, are expected to see their final version disclosed next August and allow qualified companies to submit offers to be ranked as per the highest amount of profit oil offered to the Brazilian Government.

Furthermore, winning bidders must enter into a consortium agreement with the State owned company Pré-Sal Petróleo S.A. - liable for the management of PSAs executed with the Ministry of Mines

and Energy and for the management of hydrocarbons sale contracts - and Petrobras, S.A. the latter being the sole operator of each relevant block. It is provided that Petrobras shall hold a minimum participating interest of 30% in all and each of the tendered blocks.

The National Agency of Oil, Gas and Biofuels' (ANP) Director announced that the tender will be held next 22 October and that the area encompassing this Libra Field will be subject to tender.

ANP's General Manager also anticipated some local content quotas from around 37% in the exploration phase which may rise up to 55% during the production phase.

The PSA regime for the Pre-Salt areas was introduced in Brazil by Federal Law No. 12.351 of 2010. The transition from the previous concession regime to PSA enables the State to better control the

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fields and will impact activities of foreign companies interested in Brazil's O&G industry as this model shall provide more control to the Brazilian State.

Following the foreseen Libra Field bidding round, bidding for onshore fields for natural gas is scheduled to take place during November 2013.

MOZAMBIQUE

The next tender for oil and gas exploration and production in Mozambique is expected to be launched after approval of the new Petroleum Activities Law and enactment of the relevant regulation by the Parliament and Government.

Bidding rounds for new prospective areas are thus expected to be launched soon after the new legislation is passed. This legislation is currently under discussion by the relevant Governmental bodies, the new Petroleum Activities Law and Petroleum Tax Law being still in project form and are expected to be enacted up to the end of the present year.

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