



Brazil's Upstream Outlook: Growth and Competitiveness

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22nd May 2026



Agenda

Our presentation will begin with an overview of ANP's role and will then address the five key questions from the IMF



Introduction

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ANP is the **regulatory body** for the oil, natural gas and biofuels industry in Brazil



Regulate

Establish the regulation of the oil, natural gas and biofuels industry. ANP must assure **free competition, national supply, and consumers protection** in terms of price, quality and product offer.



Contract

Grant **authorizations** for the O&G and biofuels activities; to promote **E&P bidding rounds** and **sign contracts** on behalf of the Federal Estate.



Inspect

Enforce the standards and rules by the regulated industry. It covers the administrative process, judgment and sanction.

ANP is responsible for implementing the energy public policies, but also **subsidizes, technically, the National Energy Policy Council**

From the well to the gas station



84
E&P economic groups
(fev 2025)

134,824
Regulated agents

5
Natural Gas Pipeline
Transportation Companies

2
Crude Oil and Liquid
Products Pipeline
Transportation Companies

75
Liquid Bulk Terminal
Operators

4
LNG Terminal Operators

55
Natural Gas / LNG Importers

9
Refinery Operators

132,666
Fuel Retailers and Regulated
Consumers

2
Natural Gas Processing Plant
(UPGN) Operators

279
Distributors

368
Ethanol Producers

1056
Importers & Exporters

29
Biodiesel Producers

172
Lubricant Producers and
Base Oil Re-refiners

18
Biomethane Producers

Competitive and Sustainable

A country of plenty and diverse energy resources



Brazil's electricity mix is one of the cleanest in the world

 **~50%**

Share of **primary energy from renewable sources, 2024**
World Average – ~15%
(Our World in Data)

 **4th**

Largest **share of primary energy from renewables**
1st – Iceland, 2nd Norway, 3rd Sweden
(Our World in Data)

 **87%**

Share of **electricity production from renewables, 2022**
World Average – ~32%
(Our World in Data)

 **2nd**


Largest Producer and Consumer of **Biofuels**
(BP Statistical Review 2022)

 **2nd**

Largest **Hydropower** generation in 2021
(Our World in Data)

 **6th**

Largest **Wind Generation Capacity**
(GWEC 2021)

Less than **10** 
kgCO₂e/boe is the **carbon intensity in the pre-salt**

14 kgCO₂e/boe is the offshore average in Brazil

Compared to OGCI average – 19 kgCO₂e/boe


Brazil: A Global Energy Player



The Largest Economy in Latin America 

Among the Largest Economies in the World (Rank 11th in 2025, 2.27 trillions USD – Austin Rating)

 **2nd Largest recipient of Foreign Direct Investment in 2024** (70 billion of USD – OCDE)

 **8th**
Largest **Crude Oil and Condensate** producer
(Energy Institute, Statistical Review 2025)

 **8th**
Largest **Oil Products Consumer**

2nd hydroelectric power generation
(Energy Institute, Statistical Review 2025)

A domestic market of over **200** million inhabitants

Among the largest crude oil exporters in the world

9th
Largest **Oil Refining Capacity**
(Energy Institute Statistical Review of World Energy 2025)
But still need to import diesel, gasoline, jet fuel and LPG

 **6th**
In **sales of petrochemicals** worldwide
(Energy Institute Statistical Review of World Energy 2023)

Brazil's Oil & Gas Outlook




Nowadays

Production: **4.25** Million bpd of **oil** production (Mar 2026) **204** Million m³/d of **gas** production (Mar 2026)

Reserves: **17.5B** Bbl in proved **oil** reserves (Dec 2025) **573B** m³ in proved **gas** reserves (Dec 2025)

 **120B**
USD **investments** forecast (2026-2030)

 **1.7**
Million bpd of crude **oil export** (2024)

Forecast

 **2030**

Potential to reach a production of more than

 **5**

Million bpd of **oil**

Potential to be the

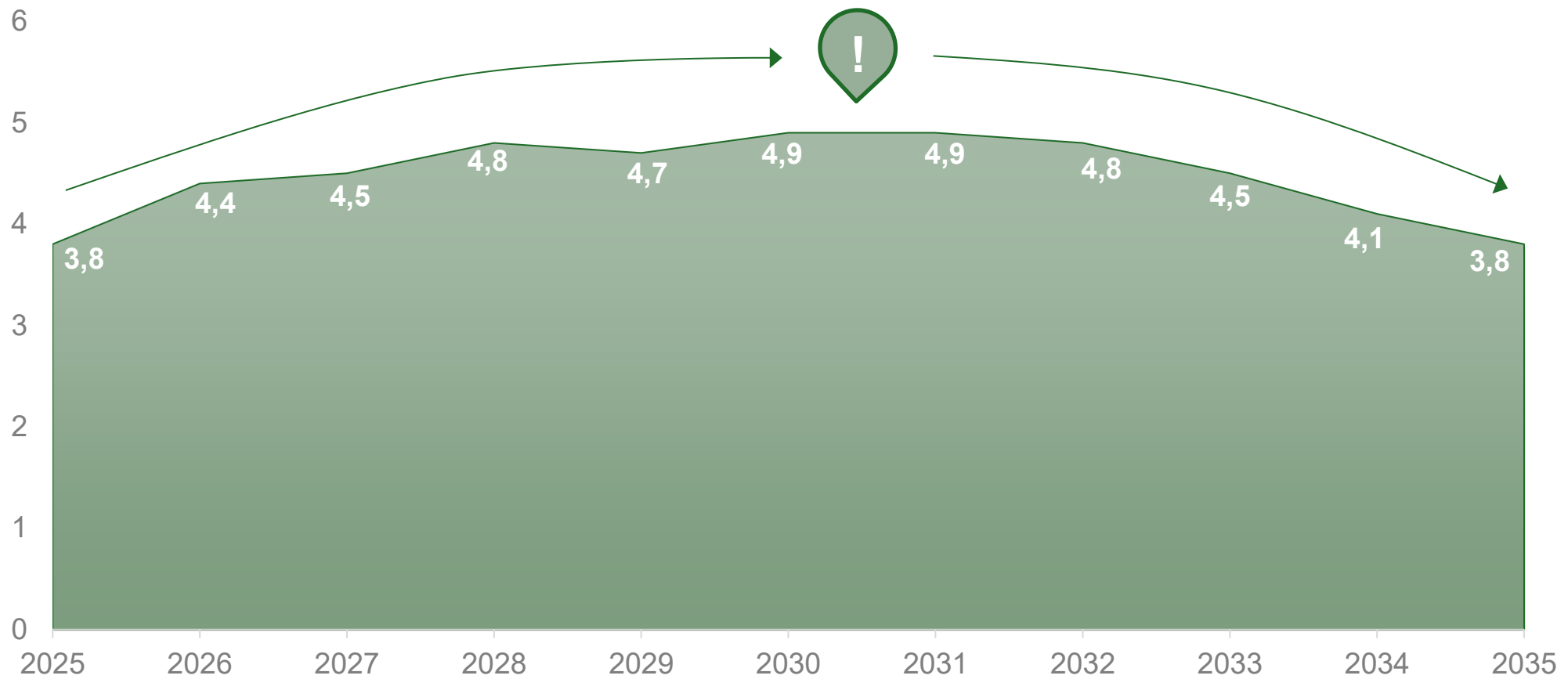
 **5th**

Largest crude oil exporter

(EPE – Plano Decenal de Expansão de Energia 2034)

Brazil's Oil & Gas Outlook

Oil Production Forecast – Total Reserves (Million bbl/day)



Source: EPE (2026) – PDE (Plano Decenal de Expansão de Energia) 2035

Brazil's Outstanding Geological Potential



CONTINENTAL SCALE

8.5 million km² total area with several sedimentary basins onshore and offshore



GEOLOGICAL DIVERSITY

From frontier basins to mature provinces with proven systems



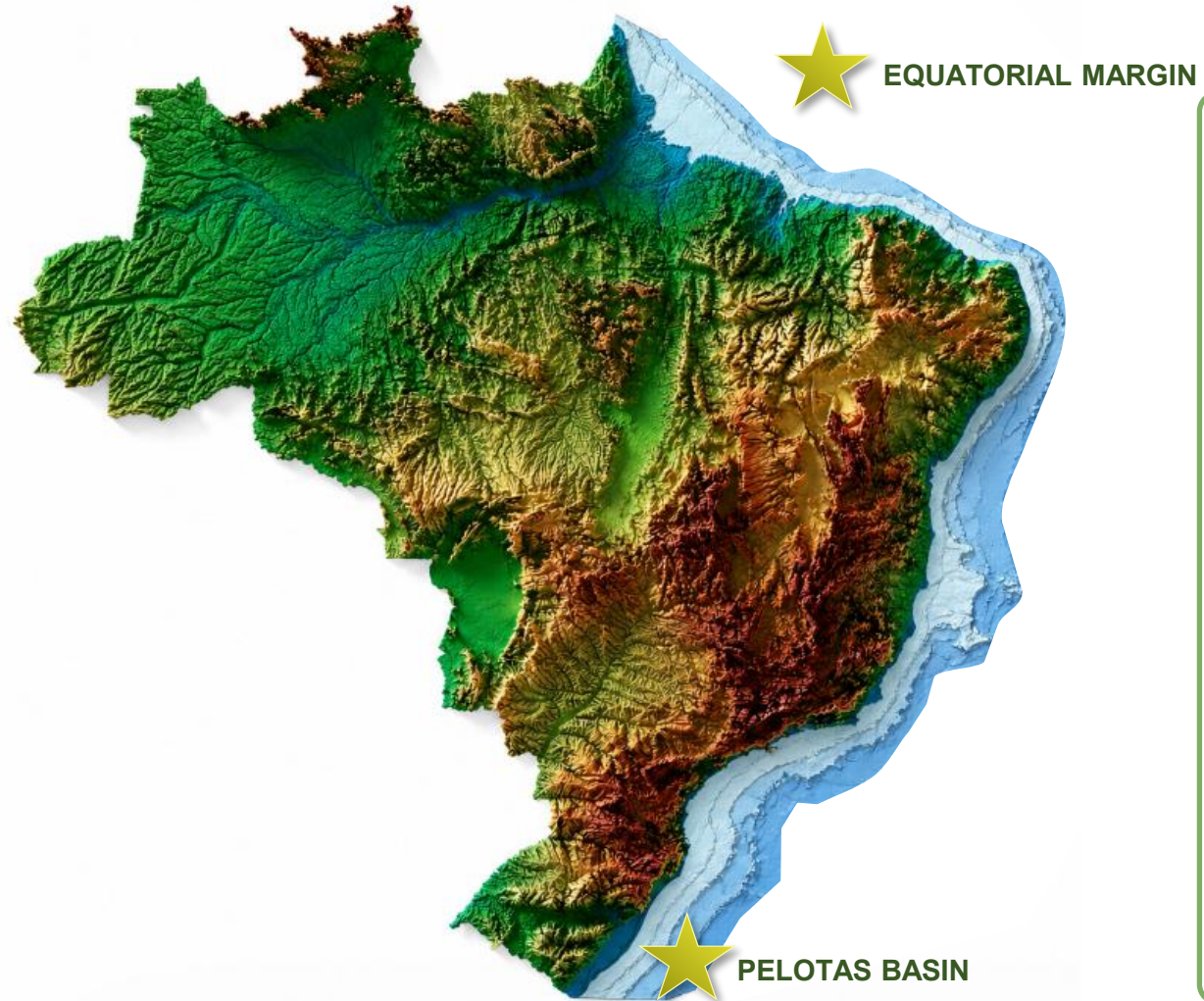
MULTIPLE PLAYS TYPES

Conventional post-salt, pre-salt carbonates, mature basin and more



PROVEN POTENTIAL

World-class discoveries and strong exploration upside



GLOBAL MAJORS

Deepwater, large scale projects and frontier exploration



INDEPENDENTS

Balanced portfolio of exploration and appraisal opportunities



SMALL AND MID-CAPS

Access to onshore and offshore mature areas



NEW ENTRANTS

Attractive entry points across a wide range of opportunities

Open Acreage: a Leading Licensing Model

Traditional Bid Rounds

- ✓ **Availability**
Fixed calendars and predefined schedules.
- ✓ **Timing**
Concentrated isolated events.
- ✓ **Market Engagement**
Friction and rigidity.
- ✓ **Strategic Value**
Vulnerable to commodity cycles.

The Open Acreage Model

- ✓ **Continuous availability**
of blocks and marginal accumulations.
- ✓ **Investor-led timing** mapped to specific business strategies.
- ✓ **Steady flow**, preserving investor engagement over time.
- ✓ **High agility**, improved capital allocation, and rapid responsiveness.

Open Acreage: a Continuous Opportunity

Assessment by interested parties

Areas in stock available for Assessment, free download of various data



Inclusion of areas

After Studies, Environmental Guidelines and Joint Manifestation MMA and MME Publication of the Notice



Public Session

Public Offering Session held



Registration

Permanent registration of bidders for the Permanent Offer (the documents must be kept updated)



Declaration of Interest

By registered company accompanied by Offer Guarantee

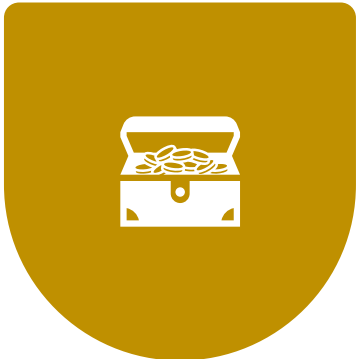


Opening of the Cycle

Disclosure of the Schedule


Open Acreage: Track Record Delivered

+ US\$ 589 Million
In Signature Bonus



+ US\$ 1.32 Billion
Planned Investments
in the Minimum
Working
Commitment

Company
Diversity
Competitiveness



Note: Reference exchange rate of the commercial U.S dollar (PTAZ – Central Bank) on April 15, 2026: BRL 4.99/USD



#1

How are changes in global commodity prices affecting you?

A More Complex and Uncertain Energy Landscape



COVID-19 (2020)

Demand collapse
and price shock

Exposed system
vulnerabilities

UNDERINVESTMENT (2021–2023)

Lower upstream
investment

Tighter future
supply

RUSSIA–UKRAINE WAR (2022)

Trade flows
disrupted

Energy security
back to center

RED SEA DISRUPTIONS (2023–2024)

Higher freight
costs and delays

Stressed global
logistics

MIDDLE EAST RISKS (2024–2025)

Infrastructure
attacks

Chokepoint threats
(Hormuz)

MARKET IMPACT

The high of oil strengthens the economy of Brazil, boosts exports, and expands the trade balance, putting the country in a strategic position in the face of changes in the global energy scenario

Brazil remains resilient



Resilient and competitive foundations

- Brazil's upstream sector remains highly resilient, even in a more volatile commodity price environment.
- The country combines **large-scale, high-productivity assets**—especially in the pre-salt—with a **diversified portfolio** of mature basins and frontier opportunities.



Continued attractiveness of Brazil

- Lower prices may affect the pace of some investment decisions globally, particularly in higher-risk frontier areas.
- However, Brazil continues to attract strong interest due to the **competitiveness of its resources, regulatory stability, and the flexibility** provided by the **Open Acreage model**.



Predictability in a volatile environment

- Price volatility reinforces the importance of maintaining a **predictable regulatory framework**.
- This, combined with a **continuous pipeline of investment opportunities**, enables companies to align their portfolio strategies with market conditions.



Brazil offers a unique combination of resource quality, regulatory stability and flexibility, positioning the country as a **preferred destination for upstream investment**, across market cycles.



#2

What is the current status of and outlook for your industry and its growth prospect?

#3

What are your future investment plans?

What are your future investment plans?



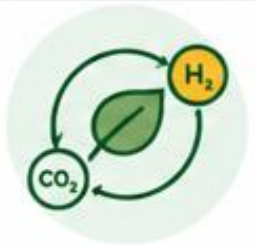
Our role as regulator

- As a regulator, the ANP itself **does not make commercial investments**. However, our focus is on continuously **improving the regulatory and licensing environment** to stimulate investment across the Brazilian upstream sector.



Strengthening the investment environment

- We are expanding the portfolio of areas available through the **Open Acreage system**, in both concession and production sharing regimes.
- We are improving **efficiency and transparency** in licensing procedures, strengthening governance, and **modernizing auction and contracting processes** — including the partnership with **B3** for a future digital licensing platform.



Supporting energy transition opportunities

- We are working to support new opportunities related to **energy transition themes**, including **natural hydrogen**, **CCS** discussions, and the integration of **new technologies** into the regulatory framework.



Our commitment is to continuously enhance the regulatory and licensing framework to create a **predictable, efficient, and competitive environment** that attracts investment, drives growth, and supports Brazil's energy future.

Strong Investment Environment



Resource Base

Large and diversified resource base across multiple risk and return profiles



Geologic Potential

World-class pre-salt and frontier potential



Institutional Maturity

A technical sound regulatory framework that evolves with transparency and predictability



Competitiveness

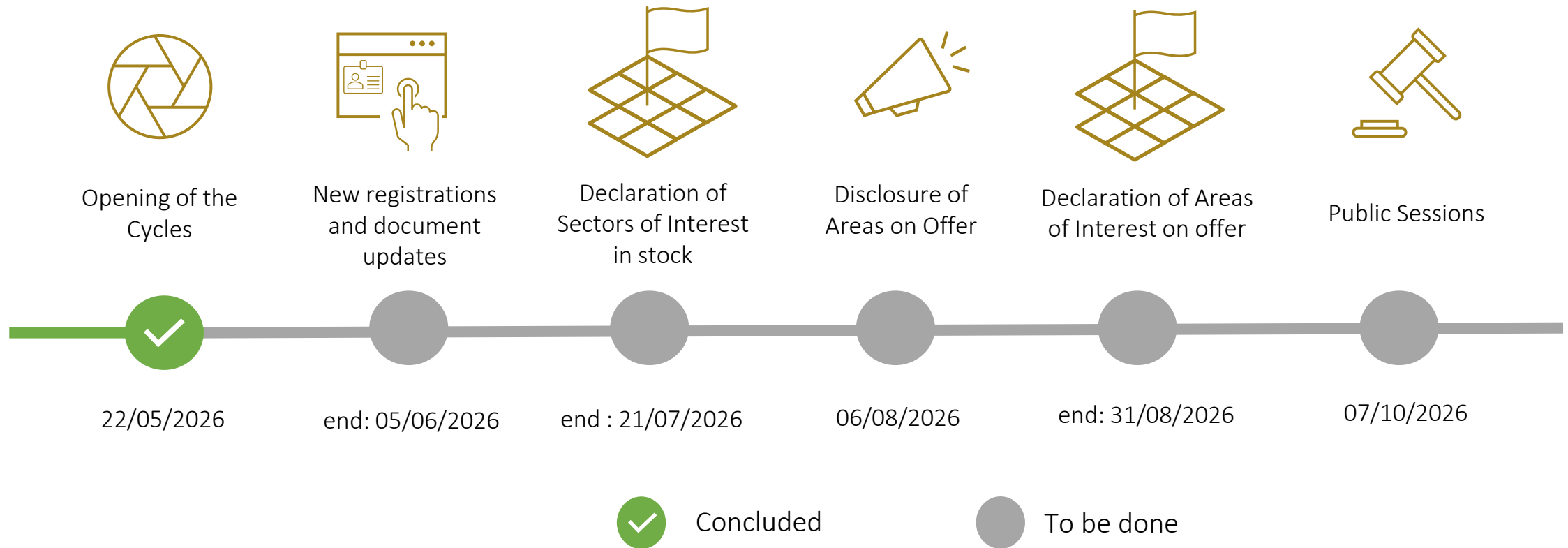
A stable and investment-ready market positioned among the world's most attractive destinations for energy capital.

Open Acreage Opportunities

New Cycles are Open



Open Acreage Opportunities



Well Positioned for a Lower-Carbon Investment Landscape

01

Pre-salt: world class assets with **low breakeven** and **low greenhouse gas emissions**



High productivity and low sulfur levels:



Carbon intensity: 9 – 10 kgCO₂e/boe

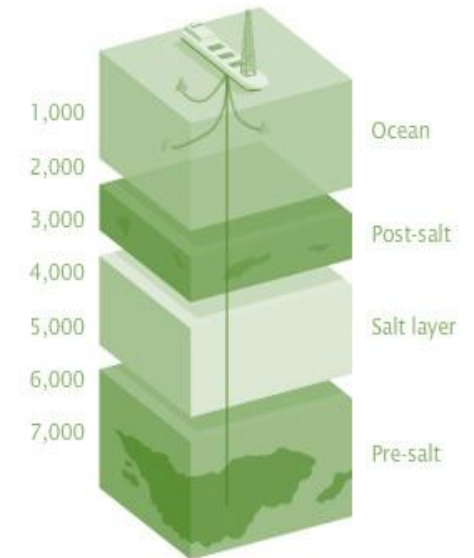
Half of global E&P average (19,5kgCO₂e/boe)

02

Largest offshore operators, are committed to low carbon emissions

03

ANP is publishing **upstream emissions**. Flaring is 2% of associated gas production.



What are your future investment plans?




Governance

Stronger governance through robust operational standards and trusted market practices




Resilience

Resilience and flexibility, with the capacity to combine digital and in-person formats according to the needs of each cycle



Digital Bidding Platform

Partnered with B3:
Brazil's Leading exchange



Efficiency

Digitized documentation flows, reduce administrative complexity and transaction costs



Transparency

Enhanced transparency, traceability, and legal certainty across all phases of the process



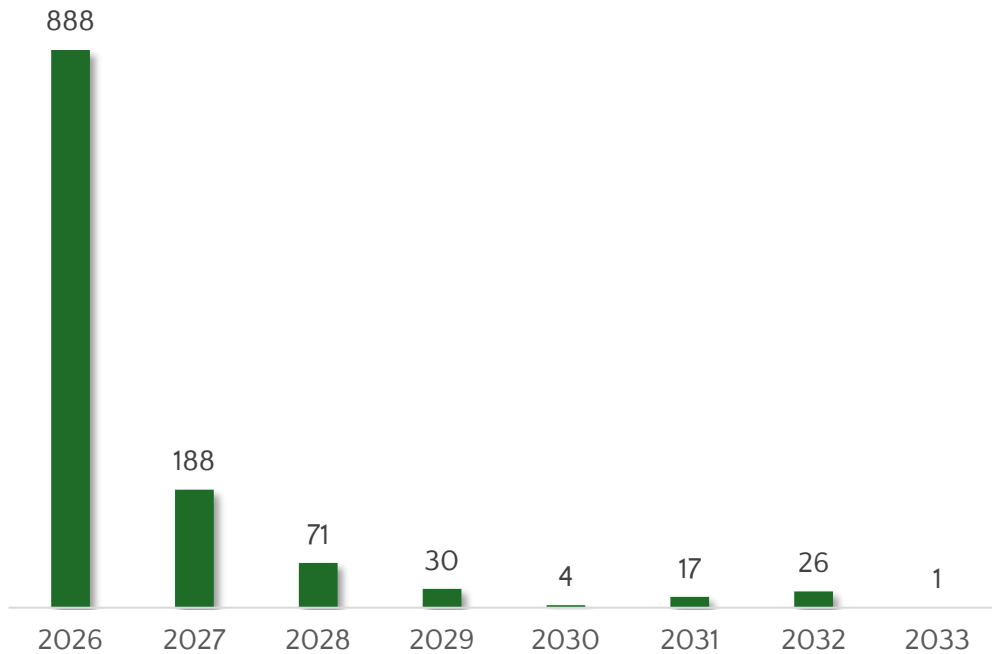
Accessibility

Broader accessibility, facilitating participation by domestic and international investors

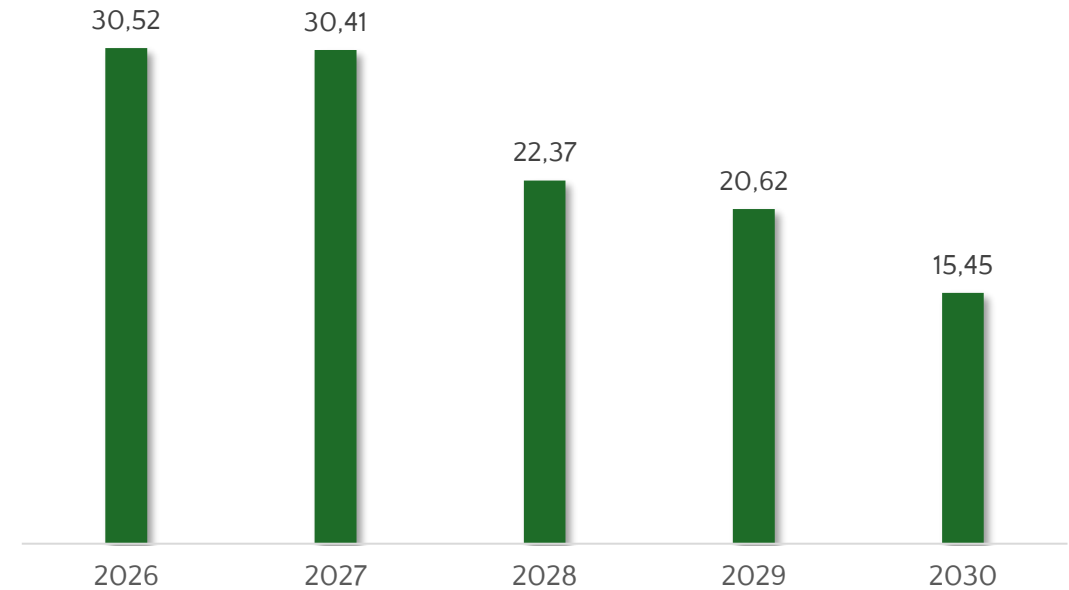


E&P Investments forecast

Exploration Investments (Million USD)

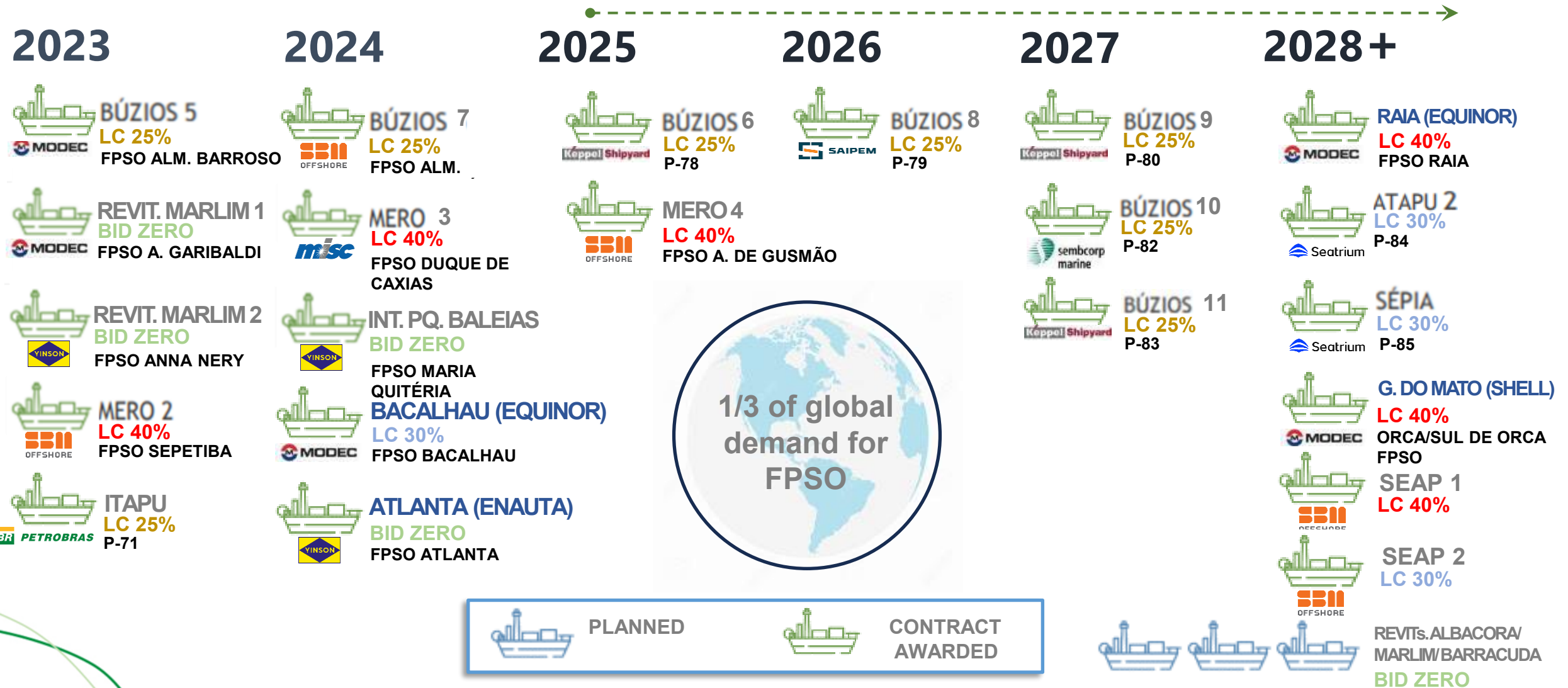


Production Investments (Billion USD)



+ USD 120 Billion Expected by 2030

Around 15 FPSO projects being implemented or expected to be implemented



What is the current status of and outlook for your industry and its growth prospect?



Strong fundamentals and growth momentum

- Brazil's oil and gas sector continues to present **very strong growth prospects**. Production remains at historically high levels, driven mainly by the **pre-salt**.
- Significant opportunities still exist both in **mature basins** and in **frontier regions** such as the Equatorial Margin and Pelotas Basin.



Open Acreage as the main licensing mechanism

- Brazil has consolidated the **Open Acreage** system as the main licensing mechanism for exploration and production areas.
- This provides **continuous opportunities for investment** under both concession and production sharing regimes.



Very positive outlook for the future

- The combination of **resource potential**, **technological capability**, **regulatory predictability**, and increasing **digitalization** of licensing processes positions Brazil as one of the **most attractive upstream markets globally**.



Commitment to energy transition

- The industry is increasingly integrating discussions related to **decarbonization**, **carbon management**, and **energy transition** into its long-term strategies.



#4

How have capital market conditions impacted your investment decisions?

How have capital market conditions impacted your investment decisions?



Global capital market conditions matter

- Global capital market conditions clearly influence investment behavior across the energy industry, particularly regarding **risk appetite**, **access to financing**, and **portfolio prioritization**.



Strong interest in competitive, long-life assets in Brazil

- In Brazil, we observe that companies remain highly interested in **competitive**, **large-scale**, and **long-life assets**, especially those capable of combining **strong productivity** with **lower emissions intensity** per barrel produced.



Regulatory stability and flexibility are key advantages

- In this context, **regulatory stability** and **predictability** become even more important.
- One of the key advantages of the **Open Acreage** model is precisely its **flexibility**, allowing companies to evaluate opportunities and submit expressions of interest according to their own strategic timing and market conditions.



A **stable, predictable, and flexible investment environment** is essential to sustain companies' confidence and channel capital to Brazil's upstream sector over the long term.



#6

**What are your plans for
renewable energy
investments?**

O&G Companies are expanding their presence in renewable energy



01

In Brazil, **1%** of the gross revenue from large-scale production fields must be invested in research, development, and innovation projects.

02

R\$ 4 billion invested annually in Brazilian research centers and universities, of which **30% last year...** of the total was invested in projects focused on sustainability and decarbonization.

03

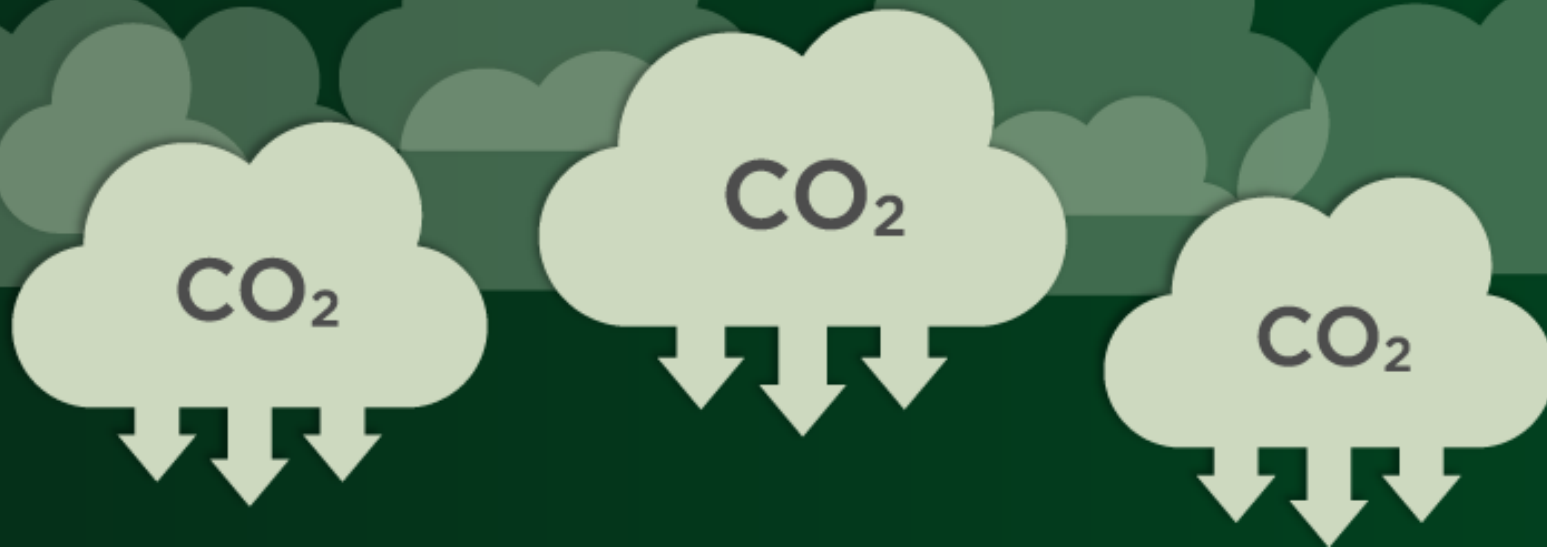
Oil and gas companies intend to invest, on average, **10%** of the total R&D budget in Brazil, aimed at developing and supporting green technologies, decarbonization, and environmental impacts.

04

To date, more than **400** projects have already been initiated in areas such as environmental recovery, hydrogen, biogas, ocean energy, and bio-kerosene.

CCUS (Carbon Capture, Utilization and Geological Storage of CO₂)

- Strategic technology for emissions mitigation
- Legal framework: Law No. 14,993/2024 (Fuel of the Future Law)
- ANP as the authority responsible for regulating carbon capture and geological storage (CCS) activities
- Relevance for hard-to-abate sectors (cement, steel, thermoelectric power, and O&G)
- Current actions by ANP:
 - Implementation of the regulatory framework
 - Use of pilot projects




CCUS

Hydrogen

- Hydrogen as a strategic energy vector for decarbonization
- Legal framework: Law No. 14,948/2024 ANP responsible for regulating production, operations, and commercialization – awaiting the publication of the implementing decree
- Publication of the Authorization Request Manual (2025)
- Main regulatory challenges:
 - Certification
 - Physicochemical specifications
 - Operational safety



HYDROGEN

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Closing message

Closing Messages

1



Brazil is uniquely positioned to combine energy security, competitiveness and decarbonization

- One of the cleanest energy matrices in the world
- World-class pre-salt assets with **low carbon intensity**
- Strong **long-term** production and export outlook

2



Brazil offers one of the world's most attractive upstream investment environments

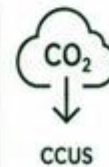
- **Stable** and **transparent** regulatory framework
- **Open Acreage** as a continuous and flexible licensing model
- More than **USD 120 billion** expected in E&P investments by 2030

3



The future of Brazil's energy sector will be driven by diversification and innovation

- Expansion of **CCUS**, **hydrogen** and **low-carbon** initiatives
- Digital transformation of licensing processes with **B3 partnership**
- Commitment to **technology**, **sustainability** and **long-term development**





www.gov.br/anp/pt-br

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