

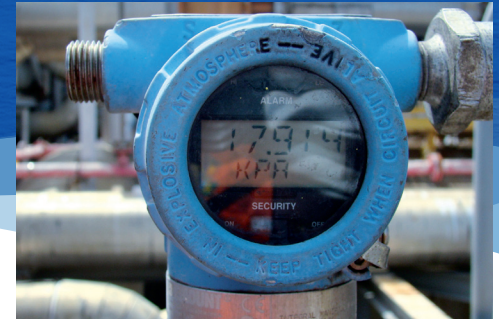


anp
National Agency
of Petroleum,
Natural Gas and Biofuels

INSPECTION OF OPERATIONAL SAFETY

What is OPERATIONAL SAFETY?

Within the scope of oil & natural gas exploration and production, the concept of operational safety defines the set of practices, procedures, equipment and management systems that aim at establishing safety barriers to the routines of drilling and production facilities.



INSPECTION OF THE OIL & NATURAL GAS EXPLORATION AND PRODUCTION ACTIVITIES

The ANP is the entity responsible for inspecting the oil & natural gas exploration and production activities, according to the provisions of Law 9478/1997. The purpose of such inspection is to prevent failures in the operational safety of the facilities and to avoid any harm to life, the environment and property.

For offshore facilities, the inspection is structured based on the Operational

Safety Management System (SGSO), in the rules set forth by Resolution ANP no. 43/2007.

In 2014, more than 90% of the oil and natural gas produced in Brazil come from 134 rigs in offshore fields - 52 of which in deep waters.

For onshore facilities, the standards to be observed by the concessionaires, as well as inspected by the ANP are included in the Technical Regulation of the Integrity Management System (SGI - Resolution ANP no. 2/2010).

THE ROLE OF ANP

The ANP inspects the oil & gas exploration and production activities, with focus on operational safety and based on the legislation applicable to contracts - either for concession, production sharing or onerous assignment.

THE AGENCY'S DUTIES ARE THE FOLLOWING:

- To investigate accidents;
- To consolidate and keep information on accidents, in order to support the actions in case of future events;
- To issue opinions on operational safety and environmental protection in the facilities of the oil, natural gas and biofuels industry;
- To coordinate actions with external agents;
- To draw guidelines for the inspection of the facilities of the oil, natural gas and biofuels industry.

FOCUS ON PREVENTION

The ANP's inspection practices regarding the facilities' operational safety focus on performance indicators related to prevention policy. The purpose is to identify whether the concessionaire effectively complies with the good management practices and establishes the safety culture in the operations. An inspection is scheduled considering the type, the history and the information that the ANP has

on the facility. The concessionaires must prove that they keep under control the risks arising from any and all operation performed in the facilities.

The concessionaire company must continuously direct efforts to the maintenance of the equipment and the improvement of its management system.

FUNDAMENTAL PARTNERSHIPS

The partnerships between the ANP and the Brazilian Navy, the Ibama (Brazilian Institute of Environment and Renewable Natural Resources) and environmental agencies are essential to cover all safety aspects of the oil & gas exploration and production.

IN OFFSHORE ACTIVITIES

- The ANP is responsible for inspecting the operational safety of production and drilling facilities, of subsea facilities that interconnect wells and platforms, and of the wells themselves.
- The Brazilian Navy inspects the platforms as regards the vessels' marine systems, such as navigability and ballast.

- The Ibama is responsible for the environmental licensing of the operations and for the interaction systems between the facilities and the environment.

IN ONSHORE ACTIVITIES

- The ANP inspects oil & gas pipelines, as well as oil & gas production fields.
- The environmental state agencies are responsible for the issuance of the environmental licensing.

INTERNATIONAL REGULATORS' FORUM

The ANP is a member of the International Regulators' Forum (IRF), in which operational safety issues are continuously discussed and addressed. Other members of the Forum include Australia, Canada, Denmark, Mexico, the Netherlands, New Zealand, Norway, the United Kingdom and the United States. The constant sharing of experiences in the IRF - not conditioned on the occurrence of incidents - effectively contributes to the improvement of the inspection.

Learn more at www.anp.gov.br/segurancaoperacional.

