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Environmental Licensing of Offshore E&P Activities in Brasil - Previous Experiences and New Advances

The end of the State monopoly for oil exploration and production (E&P) in Brazil in 1997, produced a series of changes that affected the environmental licensing process of such activities. To adapt to this new scenario, the Brazilian Environmental Agency (IBAMA) created an especial office to license Oil Activities (ELPN). However, the institutional changes in the Brazilian E&P sector and the increase of requests for new licenses following new concessions of blocks for foreign companies raised the need to rethink regulatory approaches and procedures related to the oil industry. Two main sets of questions came up as important: the first concerns the legal timeframe for the environmental licensing process, which ranges from 6 months to a year. The second set of questions is related to the need to develop new regulations for specific technical aspects, such as the introduction of standards for the use and discharge of drilling fluids and guidelines for the elaboration of emergency plans. As a response to these issues, some important actions are being implemented: IBAMA and ANP are studying the possibility of developing strategic environmental assessments for each sedimentary basin. In that case, the licensing period could be shortened. Several actions are also being taken to address the issues concerning new regulations and standards. For example, in year 2000, a resolution was issued by CONAMA to regulate the use of chemical dispersants during the combat of oil spills and a new regulation concerning the requirements for the elaboration of emergency plans is expected to be approved in 2001. The purpose of this paper is to present the evolution of the licensing process of E&P activities in Brazil, since the end of the monopoly, and to discuss the new developments and future trends already recognizable in this area.