

Brazilian Wave

July 2015 Issue: 47

THE PLAN

Petrobras finally releases the
Business Plan 2015-2016



WESTSHORE
DO BRASIL

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BRAZIL'S GIDEONI MONTEIRO PEDALS DURING THE MEN'S OMNIUM TRACK CYCLING COMPETITION AT THE PAN AM GAMES IN MILTON, ONTARIO, THURSDAY, JULY 16, 2015.

FELIPE DANA AP

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FARSTAD - Brazilian built and flagged AHTS BOS Turquesa has been kept busy the past 30 days. After leaving Transocean Sedco 706, the vessel assisted Seadrill on three different occasions with anchor handling activities, at time of writing the vessel was assisting the last of which.

CBO - Brazilian built and flagged DP1 PSV CBO Valentina supported Schahin for a cargo run last week, 3 days firm plus options. At time of writing the vessel is promptly available Guanabara Bay.

SIEM - Brazilian built and flagged DP2 PSV Siem Giant was fixed to Odebrecht to support ODN Tay IV with one cargo run. The vessel is currently undergoing preparations for her next charter.

FARSTAD - AHTS DP2 Far Senator was fixed to Schahin to assist on the recovery of lines in Santos Basin for 15 days firm + options. The vessel is currently available Guanabara Bay.

SEACOR - Brazilian built and flagged Seabulk Angra has entered a 90 days firm contract with BW Offshore and is currently working off Espirito Santo.

7

AHTS spot fixtures in June

10

PSV spot fixtures in June



DESS - AHTS Sea Leopard has been fixed to Shell Brasil for 60 days firm + options to cover the docking of AHTS Waterbuck from Chouest, which besides regular docking will undergo modifications to attend a future long term contract with Shell Brazil.

FARSTAD - AHTS Far Sea has been released by Ventura and is currently available Guanabara Bay.

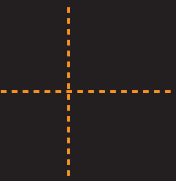
SIEM - Brazilian built and flagged DP2 PSV Siem Giant has been fixed to Shell Brazil for a long term contract. The vessel is expected to enter a contract with Petrobras in Q4 in direct continuation.

BRAVANTE - PSV DP2 Bravante VI has successfully concluded the charter with Chevron having attended the spot requirement with one option exercised and without any incidents.

VESSELS AVAILABLE - Brazilian built and flagged Santos Service and LAB 151 are currently available in Guanabara Bay. The foreign flagged vessels Bravante V, Bravante VII and Bravante VIII are also available in the spot, subject to customs clearance. Skandi Chieftain has just concluded a spot operation with BW Offshore and is also currently available. Please go to the website for on-line and on-time info.

THE INFLUENCE *of* POLITICS

Will the Brazilian legislators change the rules for minimum local content and pre-salt exploration blocks?





In recent years Petrobras and ANP, the Brazilian petroleum and gas regulatory agency, have discussed lowering the local content percentage. Petrobras once claimed that the country's capacity to meet local content requirement would only be around 15%, mostly due to local workforce. But during the seventh bidding round in 2005, it promised to buy a minimum 55% to 65% of services and equipment in Brazil. It explained that due to the pre-salt discovery, the demand for equipment in Brazil has grown exponentially; making it virtually impossible to deliver the 28 initially forecasted drilling rigs from Sete Brasil with the promised local content. Last year ANP responded

**PRESIDENT
ROUSSEFF
DECLARED
LOCAL CONTENT
POLICIES
WOULD NOT
CHANGE, THE
GOAL IS TO
PROTECT THE
BRAZILIAN
WORKERS**

by stating that not only the local content percentages would be maintained but would be intensified, and that the oil companies should develop their supply chain to meet those needs.

Due to the current instability fueled by the Lava-Jato (Car Wash) corruption investigation, the consortium is still seeking financing from BNDES, as well as looking for new investors and the number of rigs has been lowered to 18 units. To add to this, late payments to yards, inefficiency at a local level, lack of qualified staff and other challenges are resulting in delays in construction of the 18 units. In order to keep up with the original delivery schedule and with the pre-salt exploration

pace, Petrobras looks for solutions abroad, while the fear of the potential fines due to unsatisfactory local content rate keeps growing...

Improvements

Then last May came a spark of hope; ANP and the Ministry of Mines and Energy formed a group to evaluate improvement in local content policy, what would follow was possible adjustments to simplify the rules for oil companies. Meanwhile, President Dilma Rousseff declared that local content policies would not suffer any change, as the goal is to protect the Brazilian workers. In the confusing and conflicting speeches of government leaders, the only aspect that is clear is that the industry has reached a stage that it needs

support to keep growing. China, as an example, has already played an important part by transferring USD 3.5 billion to Petrobras and stating that more is available. On the other hand, China has about 24 million people joining the labor force every year and billions in deficit, so sooner or later they may ask for more than just hulls to be converted there and finished in Brazil, also challenging the local content policy. Some say that these policies are essential for the development of the country and should never be abandoned, but they need to be adapted and sustainable over time and for each specific segment of the industry, depending on the availability, access and urgency for each of them, in order to avoid bigger losses and delays and to make truly competitive products.

Petrobras and the Pre-Salt Exclusivity

Another controversial issue is the possibility of dropping the mandate stating Petrobras must be partner of at least 30% of all pre-salt blocks to be auctioned, and giving Petrobras the right not to bid at all. Again President Rousseff quickly stated that this change would not happen either. Nonetheless government opposition in the Senate recently wrote a bill (project 131/2015) which proposes exactly what ANP and MME put to light. Opponents say that with the cash crisis and investment plans for the next five years reduced by almost 40%, Petrobras would be unable to meet the requirements of the current law, passed in 2010. They also say that Petrobras could still be the biggest shareholder of the pre-salt blocks but would be free to bid for more profitable blocks than having to explore them all. On the other hand, government supporters say that if this bill passes, Petrobras would be weakened, the amount of royalties paid would decrease because oil production would grow pushing the barrel price further

down, and if Petrobras chose not to bid for a specific block, it would discourage the IOCs to do so too. This bill was due to be voted on early July, but a last minute deal sewn by pro-government senators created a special commission with 27 senators to discuss the issue in a maximum period of 45 days. During this period, government supporters will try to make changes to the bill, like giving Petrobras preference to choose blocks before each bidding round, and to push the voting at the senate as much as possible. We should highlight that so far this bill does not change the “sharing law”, from 1997, in which if the government finds a well to be explored and thinks it should be developed by Petrobras, it may grant Petrobras the exploration without bidding.

The future of the local content requirements and Petrobras as a mandatory partner in all pre-salt blocks are dependent on how supporters and opponents in the Brazilian Congress will decide over them. It is clear though that this industry and the country cannot wait much longer to resume growing, whether with more flexible laws still to be passed or with the right support and investment to truly comply with current laws and regulations without fearing penalties, and not leaving any chance of development opportunity aside.

18

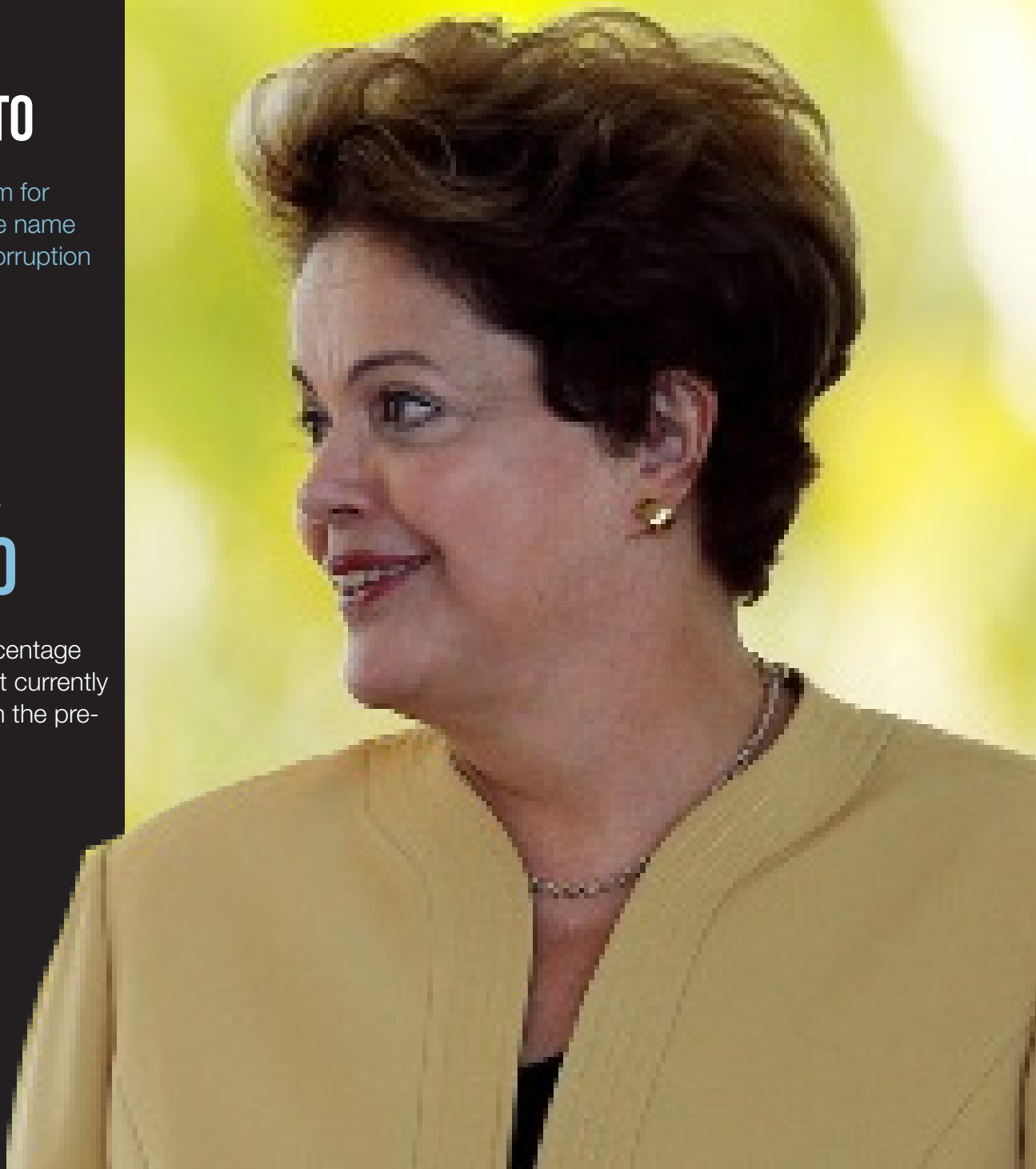
Number of drilling rigs now to be built, down from original 28

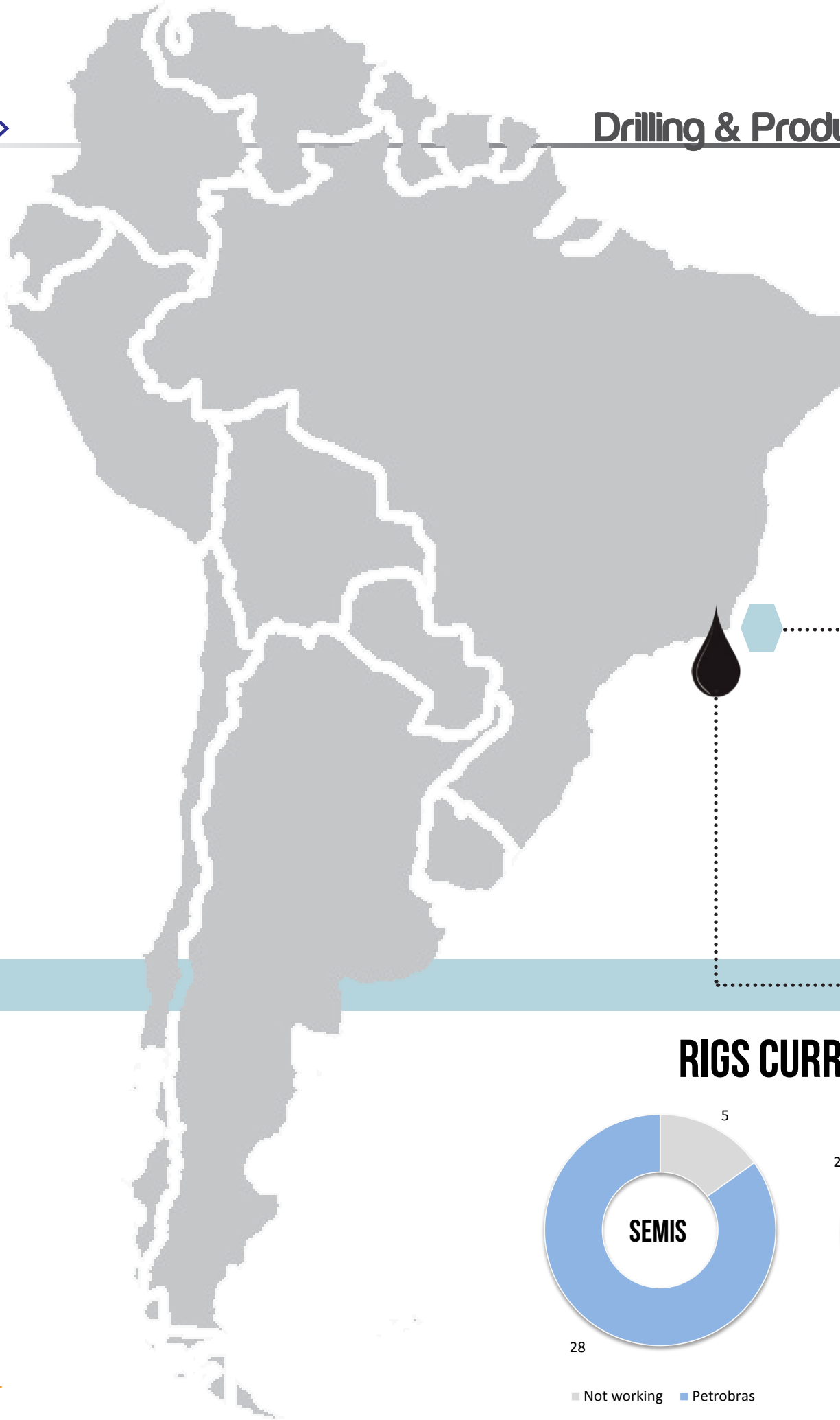
LAVA-JATO

Portuguese term for Car Wash. The name given to the corruption investigation

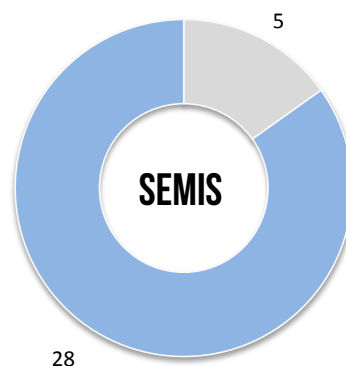
30%

Mandated percentage Petrobras must currently be partner of in the pre-salt blocks

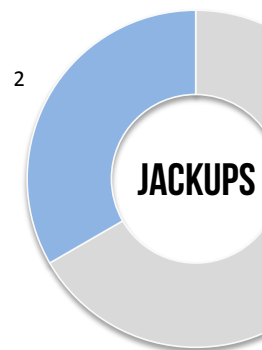




RIGS CURRENTLY OFF



■ Not working ■ Petrobras



■ Not working ■ Petrobras

BIRTH OF BAMBU SERVIÇOS DE PETROLEO E GAS

Established in 2015 in partnership with foreign investors, Bambu is a consulting company in oil & gas which focus on business development and strategies, restructuring, costs optimization and technical operations management. The company has taken over the management of the semi-submersible units Pantanal and Amazonia, formerly operated by Schahin in long term contracts with Petrobras. Both rigs are currently unemployed around Macaé area and prospecting future opportunities. Meanwhile, the drillships Vitoria 10000, SC Lancer, Cerrado and Sertão continue with Schahin and are not operating, also awaiting definitions on the company's judicial recovery progress and the Lava Jato ("Car Wash") developments.

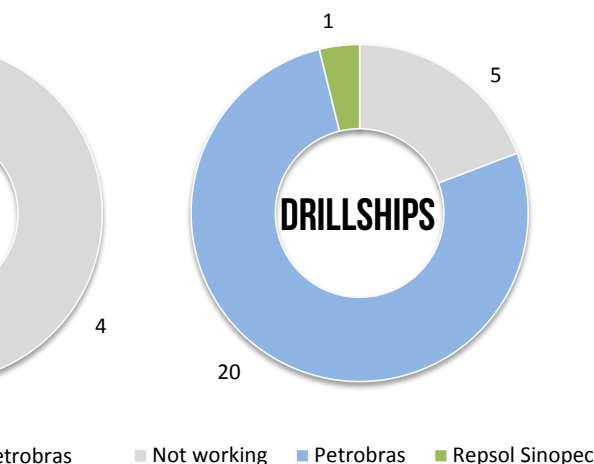


ONE LESS OPERATING RIG FOR VENTURA PETROLEO

The semisub drilling rig Louisiana (SS-51), owned and operated by Ventura Petroleo, has recently been redelivered by Petrobras after almost eight years of charter, and is currently cold stacked at around 6km of the coast of Salvador (Bahia state). There are no confirmed plans for the unit yet.

PREPARING TO DEPART BRAZIL

SHORE BRAZIL



After a long negotiation with Petrobras that took over a year, the semi-submersible West Taurus ended its long term charter with the oil major around May 2015 and is currently being prepared in Guanabara Bay to depart to a shipyard in Europe. The semi-sub West Eminence will also end its contract with Petrobras this month, with no extensions expected either.

DRILLING CAMPAIGN ON THE RISE

Australian Karoon is analyzing the data acquired from the Echidna discovery in order to make decisions on the next exploration campaign which is expected in mid-2016 and aims at

least two firm wells with an option for two more. It is said that the company is planning to come out with a drilling rig tender within the next few months.

PETROBRAS GIVES UP UOTE

The Offshore Unit for Transferring and Exporting (UOTE) set to be the first ocean oil terminal and start operation in 2016, has been axed in the Petrobras Business Plan 2015-2019. The plan for the Uote-1 FSO was to connect to two monobuoys provided by Blue Water interconnected by a submarine system provided by Subsea 7. The idea being to increase the

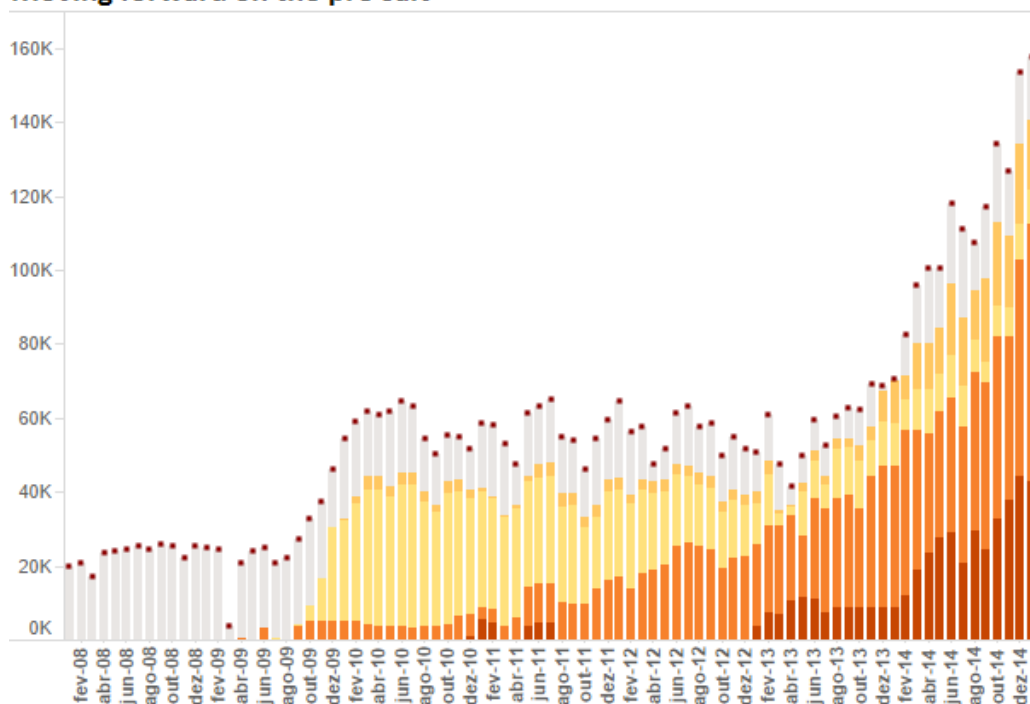
handling capacity of Transpetro, but after review Petrobras decided to shelve plans and is now deliberating what should be done. Almost all the project was already hired for the value of around USD 672 million plus one parcel of BRL 329 million for the whole package of services that would be executed locally.

CADE GIVES GREEN LIGHT TO SHELL BG

The Administrative Council for Economic Defense (Cade) has approved the massive deal between Shell and BG for its USD 70 billion merger and the transaction is on track to be completed in early 2016. The deal will increase Shell's access to Brazil's pre-salt areas and also brings exploration assets in Tanzania, which, along with BG's Australian assets, will increase

Shell's position in the global liquefied natural gas sector. The Anglo-Dutch major will also acquire BG's interests in the UK and Norway, in the Karachaganak project in Kazakhstan, and interests in Egypt, India and Asia. After the conclusion of the deal Shell's proven reserves will increase by 25%, production by 20% and liquefied natural gas production by 27%.

Moving forward on the pre salt



Shell

BIJUPIRÁ & SALEMA (farm-out)
ARGONAUTA
OSTRA

BG

LULA
SAPINHOÁ

Exploration assets

Concessionaire	Operator	Basin	Round	Block	
BG E&P Brasil	Sim	Barreirinhas	Brasil Round 11	BAR-M-298	100,00
				BAR-M-340	100,00
				BAR-M-215	75,00
				BAR-M-217	75,00
				BAR-M-252	75,00
				BAR-M-254	75,00
				BAR-M-300	50,00
				BAR-M-342	50,00
				BAR-M-344	50,00
				BAR-M-388	50,00
Shell Brasil	Não	Santos	Brasil Round 7	S-M-623	20,00
	Sim	Santos	Brasil Round 7	S-M-518	80,00
	Não	Espírito Santo	Brasil Round 7	ES-M-411	17,50
				ES-M-436	17,50
				ES-M-437	17,50
		Santos	Partilha 1	LIBRA	20,00

Source: Brasil Energia

Even with the farm-out of Shell in Bjupirá & Salema, combined with BG production exceeds 150,000 barrels/day at the beginning of this year.

Upon conclusion of the transaction, Shell will have participation in Lula, Sapinhoá and Berbigão fields – all in the pre salt of Santos.

In the 11th round, BG acquired ten areas in the Barreirinhas basin as operator and in partnership with Petrobras, Galp and PTTEP.

Besides Libra, Shell explores the Gato do Mato discovery in Santos basin and is partner of Petrobras (operator) and Vale in three blocks in the Espírito Santo basin.



FLAG FOR CONVENIENCE

Peak demand over the last five years has deterred foreign owners from building in Brazil. But the reduction in demand could set a course for change..

The Brazilian flag can be very attractive in times of lower demand, local rules give preference to vessels flying Brazilian over foreign flagged ships. Generally speaking, if a compatible vessel of local flag is available at the time the Brazilian Shipping Company (BSC) publicizes the interest to charter a foreign flag vessel, the owner of the local vessel will have preference, and moreover the right to “block” the publicized foreign flagged vessel. This process by which the BSC publicizes such interest is called “circularização”, or circularization - for the lack of a better term. Apart from the right to block, everything else is a disadvantage: higher costs, bureaucracy, taxation and that’s just the start.

At times of high demand, when local charterers are absorbing more tonnage than the country could deliver, very few owners had an extensive local shipbuilding programme. Those that kept building in Brazil just continued to use in-house shipyards, as in the case of Edison Chouest or CBO/Oceana. However even owners with their own shipbuilding structure did employ a mix of locally built ships plus tonnage acquired abroad at much lower

cost, Bravante and Wilson, Sons being an example of this. Then the market turns around, Petrobras as main charterers are not renewing/extending contracts of foreign flagged vessels, most of which were blocked by local tonnage that became available. The local tonnage prevails. This has led owners operating foreign flagged ships in Brazil to start looking at the possibility of re-flagging the vessel into REB (Brazilian Register). This year ANTAQ introduced a small change in legislation that considerably opened the possibilities of utilising the REB.

This small change is: in Resolution 495/2005 from ANTAQ in item II of Art. 2: that limited to double the tonnage being built in Brazil of VESSELS OF SIMILAR TYPE, added to half of the tonnage of the owned Brazilian vessels, the owners could request REB for a foreign flagged vessel, saving the right to have at least one vessel of similar size authorized. In practice: double the tonnage under construction or half of the existing tonnage (or at least one equivalent vessel) - OF SIMILAR TYPE.

However Resolution 01/2015, Art 4 reads: Item III: limited to double the tonnage being built in Brazil of VESSELS OF SIMILAR

TYPE. Added: a) of half of the tonnage of the owned Brazilian vessels saving the right to have at least one vessel of similar size authorized in Offshore Support and Cabotage; or b) the owned tonnage of VESSELS OF SIMILAR TYPE in deepsea.

Restricting to vessels of similar type in the deepsea trade and not making the same restriction to offshore support and cabotage may lead to an interpretation of the law that the built tonnage required to support foreign flagged ships to enter the REB in the offshore support sector can count with other types of owned tonnage. Therefore local owners with barges and other assets may make use of such tonnage to get OSVs under REB. This means that owners under arrest due to lower demand from Petrobras will take this step in order to increase chances of getting the vessels employed.

There’s no doubt that owners with their own shipyards and several locally built vessels, even built at a higher cost, will now have an advantage. It has eventually payed off - or at least gives a bit more hope. But how this plays out in the long term will be interesting to see, a topic certainly worth revisiting in six month’s time.

THE



PETRO

Finally, the end of months of
The Business Plan 2015 – 2016
Westshore takes a look at what
offshore



PLAN



OBRAS

of uncertainty and speculation.
2019 was presented to market.
that specifically this will mean for
re vessels.





PETROBRAS INVESTMENT PLAN 2015-2019

Translating it into
OSV demand

Petrobras recently announced its long awaited investment plan for the next five years. It was anticipated as the last milestone in a process of establishing new drives, divestments, projects cancelled and to be put forward, as a way to plan its demand. So how can we translate it into OSV demand?

In comparison to the previous plan, details, highlights and historical data were sparse; the latest plan was greatly simplified. We hoped to see a specified number of planned maritime units, but this was only given in reference to plans for FPSOs. The plan for this is 22 units, installed by 2020 of which 5 still need to be contracted, 5 are replicate units and 3 are in the post

salt. Delays of up to three years was noted for some maritime production units (Lula Oeste, Lula Norte), mostly the “replicate” units being built in Brazil, while others were cancelled. There were no production units mentioned for Deepwater Serpente, Espirito Santo, Jupiter, Parque das Baleias South, Maromba, Carcará and others. New drilling units, Neither Sete Brasil nor pipe layers were mentioned in the investment plan, which makes any firm assumption of OSVs demand difficult. Efficiency seems to have taken precedence over profitability, in line with financial targets of reaching net leverage below 35% and net debt / EBITDA below 2.5 in 2020. Capital discipline is the main motto. Predicted

average oil barrel price for the next three years is USD 70 while exchange rate going from 3.10 to 3.56 in 2020. A USD 15.1bn divestment is planned for 2015/2016 period and USD 42.6bn for the 2017/2018 period. E&P will account for most (83%) of the USD 130.3 bn investment. Eighty two percent of the E&P investment will be allocated to production development and only 10% for exploration. The oil production curve in Brazil seems more realistic at 2.8million bpd down from the from previous 4.2million target. Compared to the level of investment in the previous investment plan, it is slightly higher than the 2011-2015 investment plan level, as shown in below graph.

Investments Planned											
	BMP 2006-2010	BMP 2007-2011	BMP 2008-2012	BMP 2009-2013	BMP 2010-2014	BMP 2011-2015	BMP 2012-2016	BMP 2013-2017	BMP 2014-2018	BMP 2015-2019***	TOTAL
Total E&P*	6,1	8,6	65,1	104,6	108,2	117,7	141,8	147,5	153,9	108,6	962,1
Total E&P in Brazil	28	40,7	56,7	92	95,9	97,8	115,3	131,2	135,5	103,7	896,8
Exploration**	4,1	7,7	10,1	12	18	21,2	25,4	24,3	23,1	11,4	157,3
Production**	23,9	33	46,6	80	77,9	76,6	89,9	106,9	112,4	89,2	736,4

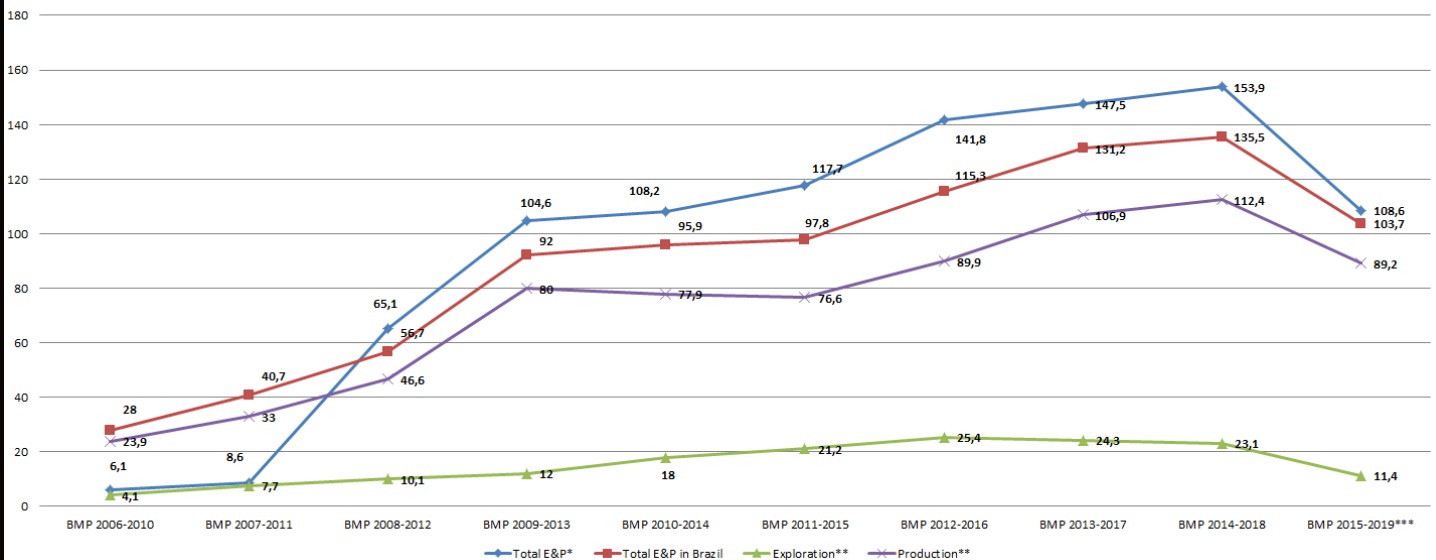
Remarks:

*National + International (USD 4.9 billion in the International area)

**Investments in Brazil

***The total investments were reduced by 37% when compared to the 2014-2018 Plan. From the total investments in the E&P, 86% will be allocated in the development of production, 11% in exploration and 3% in operational support.

Investments planned per BMP (USD Billion)



It is important to note 2010 and 2011, were the most active years in Petrobras OSV chartering history, also the reason why in 2015 and 2016 we have so many OSV charters coming to an end (the most typical charter length being four years). Although not in the investment plan, the difference will be that OSV demand will no longer drive Petrobras chartering activity but its budget. It means that Petrobras may not get all the vessels needed not due to unavailability but due to lack of money. If this scenario persists, allied with the fact that Petrobras may not extend any of its 2015 expiring contracts, we can expect the same operational struggle as seen in the last decade when Petrobras' maritime units didn't

have enough vessels to support it.

The focus on production development was one of the main drives in recent investment plan. There will be no change to the OSV fleet specs and categories, but mid-size PSVs will suffer most, if larger PSVs can be equally competitive and smaller ones (PSV 1500) far more competitive. AHTS for anchor handling are still of limited use, except for the ones needed for FPSO torpedo anchors and needed according to delivery of new units and maintenance of existing units. Line handlers, OSRVs and tugs for tanker pull back still the types of vessels specifically needed for production and may be considered critical as their lack or delay may compromise

production (\$\$\$\$) and regulatory licensing i.e. Petrobras dare not have these OSVs, so one should expect them to be a priority in the budget.

In a nutshell, the difference between former management (Mrs Graça Foster, technician) and present one (Mr Bendine, banker) seems to be clearly reflected in the company's drive for the years to come and leave us more than ever sure that not only this industry but also Petrobras works in cycles.

● FPSO CIDADE DE ITAGUAÍ

The unit has arrived in the Iracema Norte area of the pre salt Lula field where it will be installed to eight production fields and nine injection wells. The FPSO is capable of producing 150,000 boed, 8 million cbm of gas and will be moored in a water depth of 2240 meters. Petrobras is the operator of the area, holding 65% of interest, in partnership with BG (25%) and Petrogal Brasil (10%). The production startup is scheduled for the third quarter of 2015.

● FRIGHT ONBOARD

The Petrobras P-53 semi-submersible production platform, moored in the Marlim Leste field, caught fire in an area 30 meters from two leaking high-pressure natural gas line on Tuesday 7th but was quickly brought under control by platform crew after the automatic carbon-dioxide extinguishing units and temperature sensors designed to extinguish fires automatically failed to work, Sindipetro-NF said. Fortunately no injuries were reported.

● TECHNIP AWARDED LIBRA FPSO TOPSIDE

The French company won the contract for topside engineering and procurement services by Jurong Shipyard for the FPSO which will be installed at the Libra field. The work will be performed outside Brazil, in Technip's operating center in Kuala Lumpur - Malaysia and should be concluded in the second half of 2016. Meanwhile Jurong is currently converting the Navion Norvegia tanker into a FPSO capable of producing 50,000 boed, 4 million cbm of gas and expected to arrive at Libra end of 2016 to start an eight year contract with Petrobras.



● P-75 AND P-77 BACK TO CONSTRUCTION

The QGI consortium (Queiroz Galvão O&G and leasa O&G) and Petrobras have resumed negotiations for continuing the construction, assembly and integration of the topsides modules of the units, which were interrupted due to misunderstandings between Petrobras and QGI over the costs of the project plus the Lava Jato investigation over the companies part in the joint venture (see page 5 of the June edition). It is said that 60% of the P-75 construction will be executed in China while the P-77 will be 100% constructed in Brazil and operations should be re-taken in 40 days. The P-75 and P-77 will be installed respectively in Buzios II and Buzios IV fields in the pre-salt of Santos basin. First oil from the units is scheduled for 2019.



E.R. OFFSHORE

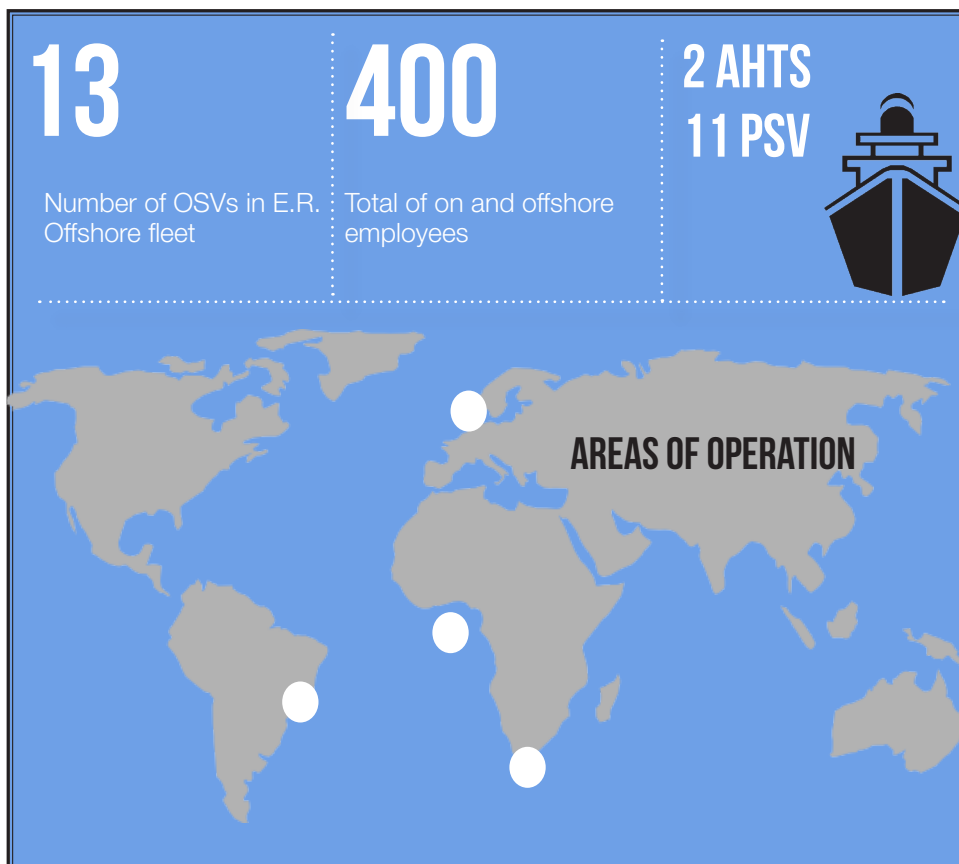
The German company taking bold Brazilian steps



Founded in 2006, E.R. Offshore emerged in the Offshore Market as a ship management company entirely committed to providing high-quality services to the offshore oil and gas industry. E.R. Offshore is a young innovative company operating a modern fleet of 11 PSVs and two AHTS vessels all of state-of-the-art designs. E.R. Offshore is a subsidiary of the E.R. Schiffahrt Group which was established in 1998 and is one of Germany's leading ship

management companies. Based in Hamburg, the company currently manages 105 vessels, primarily in the container and bulk carrier segment. E.R. Offshore greatly benefits from extensive expertise of E.R. Schiffahrt and the economic stability of its parent company, E.R. Capital Holding. After one year with 3 PSVs in the Brazilian spot market for IOCs, the company decided to establish its subsidiary – E.R. Offshore Navegação Ltda. In 2015, with two offices in Brazil – Rio and Macaé –

and six Brazilian employees, E.R. Offshore achieved its own EBN license and is now able to operate and manage offshore vessels for both its own and third party accounts. Today, E.R. Offshore employs about 320 people ashore and at sea and has recruited its own pool of experienced seafarers so that the safety culture and environmental awareness on board the vessels is safeguarded at all times.



RAINER KEHL

*Managing Director,
E.R. Offshore Navegação*

A naval architecture and marine engineering graduate from at Rio de Janeiro Federal University and post-graduate in Oil & Gas Business Management, he began working as a naval architect in the Brazilian navy. In 2001 he moved to class society Bureau Veritas and worked as a class surveyor.

His debut in the offshore sector was at Trico Marine in 2003 and later he joined Gulf Marine where he worked for five years before he moved to Tidewater as area technical manager.

In late 2011 he joined E.R. Offshore as its local representative in Macaé, Brazil. In 2014 the company decided to establish a Brazilian shipping company and appointed him managing director of E.R. Offshore Navegação Ltda. 2015.

THE INTERVIEW

WHAT TYPE OF VESSELS DO E.R. OFFSHORE CURRENTLY MANAGE IN BRAZIL?

We currently have 4 x PSVs 3000 and 2 x AHTS 18000 on term charters with Petrobras.

WHAT WOULD YOU SAY MAKES E.R. OFFSHORE DIFFERENT FROM ALL OTHER SERVICE PROVIDERS IN THIS SECTOR?

We have a cost-effective management team with highly skilled professionals. Therefore, our clients can expect good operational and financial results.

WHAT ARE THE BIGGEST CHALLENGES IN DOING BUSINESS IN BRAZIL?

There are many challenges in doing business in Brazil but with our team of experienced professionals we have overcome them, we adapted successfully to the local tax system, the bureaucracy and high operational costs.

BRAZIL — THE NEXT BIG THING IN OFFSHORE WIND?

Wind power is now the fastest growing source of power generation in Brazil. Since 2009, when the Brazilian government

took a series of measures to introduce wind power in the Brazilian energy matrix, the energy auctions have already contracted about 6,7GW of installed power. And this rapid growth is just beginning. Today wind power is the most competitive among all sources of electricity, second only to large hydroelectric plants, which are increasingly difficult to install due to environmental issues in Brazil.

Renewable energy in Brazil has also created great opportunities for companies interested in investing in the sector. The 6,7GW of new power already contracted, and to be installed, ensures a potential market investment around USD15 bn in the coming years.

The Brazilian wind power potential is estimated at 300GW and the expectation of the energy industry is to contract at least another 2,5GW per year until 2020; adding, as of 2012, an extra 20GW of Wind Power to the system, at projected investments

around USD50 bn.

- Brazil is one of the most promising markets for wind energy. Ranked 10th globally in terms of installed wind capacity, Brazil built 95 new wind farms in 2014, totaling 2.5 GW, which brought total installed capacity to 5.9 GW with 237 wind farms.
- On the basis of existing contracts, the Brazilian wind sector is expected to install another 12-13 GW over the next 5 years and, with four auctions planned during 2015, the number could rise substantially. This all fits well with the Brazilian government's Decennial Energy Plan which sets a goal for wind to reach nearly 12 % of national generation capacity by 2023.
- While the onshore wind farms have proved hugely successful, the shrewd investors in the wind sector are keeping a close eye on developments in offshore wind in Brazil. Pilot projects are set for 2016 and 2017 and with a focus on keeping wind energy firmly on the agenda, the potential for offshore wind could very soon surpass activity in the US and China, and even Europe.