

# BRAZILIAN WAVE

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ISSUE 6

THE BRAZILIAN FOCUSED MARKET REPORT



## INSIDE THIS ISSUE:

▶ HEADLINE NEWS	2
▶ VESSEL NEWS	5
▶ PETROBRAS TENDERS	6
▶ OPERATOR UPDATE	8
▶ DRILLING & PRODUCTION	9
▶ INSIDE STORY	10
▶ É ISSO AÍ!	11

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# 02 MAIN NEWS

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## The women who are changing Brazil

Angela, Hillary, Dilma, Sonia, more and more women are occupying some of the world's most influential positions and nowhere is this more keenly felt than in Brazil. Brazilian President Dilma Rousseff has nominated through personal choice but also a technical selection, Maria das Graças Foster, as CEO of Petróleo Brasileiro S.A. - Petrobras. Consequently Graça has become one of the most important women in the world, and here's why....

With Petrobras investment set at over USD 220 Billion through to 2015, Maria das Graças Foster's importance for Brazil is just as relevant as the Brazilian President Dilma Rousseff. The sum of capital in the hands of Graça is greater than any of the Ministries of the Brazilian Government, in fact, close to the entire country's national expense. For each dollar injected by the Government into the Brazilian economy, Petrobras injects another. Therefore, the priorities of Petrobras are being jointly and closely decided. With a strong technical background, the former President of BR Distribuidora (the Downstream arm of

Petrobras) and Director of the Gas & Energy division of Petrobras, has been tasked to make Brazil become one of World's 10th largest producers of Oil, by accelerating the development and production of the Pre-salt areas.

The formula for acceleration is simple: invest heavily in employees, create robust cash generation by competitive yet good margin sale prices, reduce expenses on procurement of materials and services, improve operationally and on 'waste-to-cash' generation results. It would be far simpler if Petrobras were truly independent. However Petrobras and Graça are likely to remain tied to the National Agenda, which means consumer prices will remain at levels that help the Government control inflation - and therefore cannot follow the International Oil Price variations, and Petrobras will continue to be the main sponsor of the "Local Content" programme - where imported goods are to be replaced by National product, regardless of cost.

### **Mother, wife, samba, soccer**

From Minas Gerais, Graça came to Rio de Janeiro as a child with her family. With her humble background, Graça had to work hard from adolescence, and focused on education as a means to improve in life. Graça is married to Colin Foster, a known businessman from a Technology Services company. Mother of 2, Graça has also a teenage granddaughter. Known by her essentially technical and tough attitude, this profile does not necessarily equate to her behaviour in family. Her passion for Samba is transparent and nearly every year Graça enjoys the Samba parade in Rio de Janeiro, where she joins one of the schools. Lastly she is a passionate supporter of Botafogo.





It is not the first time Brazil has entered into an investment cycle like this. The contributing factors in the current cycle are very similar to "the golden decade" of the 1970s. Then like now, the Government was investing heavily in the economy, preaching unrestricted nationalism, glancing over but not being emphatic about inflation control. In reality, the only relative difference between now and then, is that oil revenues can provide a better financial support to the investment adventure the country entered into compared to what the shipping, automotive and steel industries gave in the 70's. Nevertheless, investment alone will not guarantee a production of 6,5mm boe/day by 2020 whilst oil derivative rates are subsidized on the internal market, paying double for exploration and production equipment.

However this will likely be the behaviour of Petrobras for the foreseeable future: Keeping the cash flowing into national construction and services while increasing the pressure to achieve operational targets and ensure no operational waste. In practice, that

means Petrobras will continue to demand local tonnage and tender out (Rigs, FPSOs, Offshore Support Vessels...) not necessarily demonstrating any goodwill in paying a premium on rate over international equipment. It is the suppliers (Rig/Vessel owners, etc) that will struggle with the increasing costs from yards and increasing pressure from Petrobras on rates. Petrobras will also be impacted by this situation through its shipping arm Transpetro.

## A master of argument

The priorities of Maria das Graças and of Dilma are not always in line. Some close advisors of Graça have said that on more than one occasion she was able to defend with technical argumentation her point of view despite it clashing with Dilma's wishes, and Dilma heard her out without protest.

A clash point for both is the major Pernambuco refinery which was conceived to be built in partnership with PDVSA (State Owned Venezuela Oil Company) to process Venezuela Oil, of more complex processing than Brazilian. A refinery to process Brazilian oil and to attend to International market demands would be more profitable. Furthermore, Venezuela has not yet invested a single dollar and the costs for the refinery have doubled. Graça is technically opposed to the deal going ahead, and which goes against the government external affairs agenda.





# 04 MAIN NEWS

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## Dedicated

Now 58, Graça joined Petrobras as an Intern when she was 24 years-old. During all her years in Petrobras Graça developed a style of work mostly known by her endless dedication. It was this characteristic that caught the attention of Dilma Rouseff when as Secretary of Energy of the Dutra government, Dilma came across Graça Foster, from the Gas & Energy Dept of Petrobras, to negotiate the construction of a Pipeline in the South of Rio Grande do Sul state. The constant care and assertiveness of Graça matched the style of Dilma.

This was however not their first contact. In 1995 they worked together fighting against governmental privatization policies of Rio Grande do Sul. Graça is so diligent that at times, not satisfied with the data being supplied in her division, she went herself to oil rigs to personally check the facts. Her style resulted in over USD 1.5 Billion profit for Petrobras, a number that only falls behind the E&P Division. Graça has 3 stars tattooed in her right forearm, 1 for each daughter and, some say, the third one for Petrobras! All right, the third one could be for her granddaughter, but who knows....

This is an unfortunate situation which already exists. For instance, yard quotes for PSVs between Rounds 2 and 3 have increased by 30% while rates on the offers to Petrobras had only marginal variations - in some cases remaining the same. On the rig side, Petrobras cancelled the last tender for the Pre-salt rigs due to "excessive prices" and are now negotiating rates with suppliers to obtain better conditions on price.

The complication is that, in spite of the margins in the Oil industry being considerably higher, several sectors of the economy in support to the Oil industry are struggling or will struggle to remain competitive and profitable. Without support from the

contracting side, and increasing pressure from the Government having in Petrobras their partner to achieve macroeconomic results, the entire basis of this cycle is not sustainable. Arguing with Dilma or even trying to persuade the President with technical arguments away from the National agenda is unlikely to result in anything concrete, even with Graça's ability to influence. The challenge ahead of the two important women here is to resolve this puzzle, possibly easing off on the "Local Content" where prices are prohibitive yet generating cash and adjusting consumer prices in equilibrium with inflation control. Time will tell.

## Close bonds

Dilma has clearly nurtured the desire to see Graça in command of Petrobras - The World's third largest energy company for quite some time. Her nomination is a clear sign that Dilma has a preference for meritocratic choices, rather than political appointments. The market seems to agree with that. As rumors of the Graça nomination spread, Petrobras shares saw an improvement of close to 5%.

Gabrielli was however clearly against Dilma's wishes and was kept in command in continuation to the Lula efforts and agenda for the State-giant. After one year as President, Dilma has made the change out. That happened shortly after Dilma invited Graça to join her sabbatical trip with very few followers to her father's homeland: Bulgaria. The trip then apparently tied the allegiances of the two women even more tightly than they had been before..





# 05 VESSEL NEWS

THIS MONTH'S FIXTURES, REQUIREMENTS AND MARKET SCREENINGS

THE RIO'S  
CARNAVAL OFFICIAL  
COLORS.

## SPOT FIXTURES

DATE	CLIENT	VESSEL	OWNER	PERIOD	DAY RATE
15 Jan 2012	Transocean	Toisa Voyager	Sealion	30 days	\$47 500,00
18 Jan 2012	Starfish	Seabulk Angra	Seacor	60 days	RNR
19 Jan 2012	Chevron	Seabulk Brasil	Seacor	07 days	RNR
26 Jan 2012	Chevron	CBO Guanabara	CBO	20 days	\$32 500,00
27 Jan 2012	Technip	Karen Tide II	Tidewater	2 months	\$20 000,00
02 Feb 2012	Sevan Marine	Seabulk Brasil	Seacor	10 days	RNR
08 Feb 2012	Shell	UOS Endeavour	UOS	20 days	\$30 000,00
08 Feb 2012	Shell	UOS Navigator	UOS	20 days	\$30 000,00

## TERM FIXTURES

DATE	CLIENT	VESSEL	OWNER	PERIOD	DAY RATE
24 Jan 2012	Petrobras	Armada SK 700	Bumi Armada	4+4 years	\$25 250,00
24 Jan 2012	Petrobras	Maridive 602	Maridive	4+4 years	\$26 000,00
24 Jan 2012	Petrobras	Maridive 601	Maridive	4+4 years	\$26 000,00
24 Jan 2012	Petrobras	Malaviya Twenty Nine	Great Offshore	4+4 years	\$26 280,00



## REQUIREMENTS

DATE	CLIENT	SCOPE OF WORK	PERIOD	COMMENCEMENT
19 Jan 2012	Maersk Oil & Gas	AHTS, DP II 150 TBP	30 days	01 Jun 2012
19 Jan 2012	Maersk Oil & Gas	PSV, DP II	30 days	01 Jun 2012
19 Jan 2012	Maersk Oil & Gas	ORSV, DP I	30 days	01 Jun 2012
09 Feb 2012	Shell Brasil	MPSV, 150 Tons AHC	01 year	01 Aug 2012

## VESSEL NEWS

. Lewek Fulmar: On Tuesday Jan 24th, the largest AHTS in the Petrobras fleet entered Guanabara Bay. Owned by EMAS Offshore, this UT 788 CD has circa 400 TBP and was awarded under the AHTS 21000 Class, brokered by Westshore.

. Maersk Lancer: After having completed the pre-mooring system for Anadarko, the L-Type is heading back to North Sea. Maersk may have up to three vessels in the AHTS 21000 Class, to be delivered to Petrobras on October.

. Cabiness Tide: Petrobras has yet to declare options on the vessel so Tidewater are preparing for a departure. According to Owners, the vessel won't stay in Terras Brasilis.

. Intermoor: After being awarded the Papa Terra project installation, on Q2 2011, the company will mobilize the Skandi Skolten, managed by DOF Subsea, over the next days to perform the installation work.

. UOS Endeavour and UOS Navigator: Coming from the Falkland Islands, both managed by UOS United Offshore Support GmbH & Co. KG, arrived in Rio de Janeiro to perform support for Shell operations. The scope of work is assisting on mooring legs for FPSO Fluminense, for 20 days firm.

. Maridive: Egyptian combo! The company was awarded four vessels on two different types for Petrobras, PSV 3000 Specialists and OSRV 750.

. Astro Dourado: Astromarítima sold the Brazilian flagged PSV to Bigmar Navegação. Built in 1983 by MacLaren Shipyard, the vessel will soon return to operation.

# 06 PETROBRAS TENDERS

UPDATE ON THIS MONTHS OUTSTANDING TENDERS

The results of the PSV 3000 tender released in August 2011 have now been made official. No vessel was awarded as type B due to "excessive price", after Maridive 601 (awarded as type C) the next vessel was the REM Provider at over USD 32,000. The highest award closed at just over USD 26,000.

TYPE	VESSEL	MANAGER	DAY RATE	BRAZILIAN OPERATOR
PSV 3000 A	MARIDIVE 602	MARIDIVE	26 000,00	Petrosantos
PSV 3000 C	ARMADA SK700	BUMI ARMADA	25 250,00	Petrosantos
	MALAVIYA TWENTY NINE	GREAT OFFSHORE	26 280,00	Petrosantos
	MARIDIVE 601	MARIDIVE	26 000,00	Petrosantos

Four vessels will be chartered, all from owners recently arrived in Brazil. Maridive was awarded two fixtures, which strengthens its position in South America, Bumi Armada and Great Offshore then completing the tender result. All vessels will be operated by Petrosantos. Great Offshore has recently been awarded another contract with Petrobras, the AHTS Malaviya 9 under the T15000 category.

On February 9th, the AHTS bids were disclosed by Petrobras. The expectation is that on the AHTS 12000 Category two contracts will be awarded to support the pipe-laying BGL-1 barge.

AHTS 12000 - OFFERS					
VESSEL	OWNER	FLAG	BRAZILIAN OPERATOR	DAY RATE (USD)	MOB FEE
ASSO VENTOTTO	AUGUSTA	ITALIAN	ASSO MARITIMA	28 700,00	700 000,00
VARADA TBN 354	VARADA MARINE	SINGAPORE	GALÁXIA MARÍTIMA	33 300,00	1 500 000,00
NOR CAPTAIN	SOLSTAD	SINGAPORE	SOLSTAD OFFSHORE	33 750,00	2 600 000,00

On the other hand, the TS 15000 received quite a few offers. Maersk Provider is supporting Sonangol-Starfish so is already in Brazilian Waters, as is Deep Sea Supply's Sea Panther and Sea Leopard. Sanko Bride (currently in West Africa) at the presented level could be a demonstration that Sanko Offshore is making a return to Brazil. We expect four, maximum five awards in this category, as usual depending on the level of discount.



## A WORD WITH WESTSHORE

**Victor Canellas**  
Shipbroker Trainee

"Don't forget the consult for AHTS 18000 A! This tender is on the move"



# 07 PETROBRAS TENDERS

UPDATE ON THIS MONTHS OUTSTANDING TENDERS

**AHTS 15000 TS - OFFERS**

VESSEL	OWNER	FLAG	BRAZILIAN OPERATOR	DAY RATE (USD)	MOB FEE
MAERSK PROVIDER	MAERSK SUPPLY SERVICE	DENMARK	MAERSK SUPPLY SERVICE	32.750,00	-
SANKO BRIDE	SANKO	LIBERIA	ATLAS JAYMAR	32.900,00	700 000,00
SEA PANTHER	DEEP SEA SUPPLY	NORWAY	DEEP SEA SUPPLY	35.500,00	-
SEA TIGER	DEEP SEA SUPPLY	NORWAY	DEEP SEA SUPPLY	35.000,00	1 000 000,00
SEA LEOPARD	DEEP SEA SUPPLY	CYPRUS	DEEP SEA SUPPLY	35.800,00	-
ARMADA TUAH 105	BUMI ARMADA	MALAYSIA	PETROSANTOS	36.750,00	-
ARMADA TUAH TBA	BUMI ARMADA	MALAYSIA	PETROSANTOS	37.750,00	-
TOISA DAUNTLESS	SEALION	BAHAMAS	SEALION SHIPPING	37.500,00	730 000,00
MARTY QUIST TIDE	TIDEWATER	VANUATU	PAN MARINE	36.900,00	2 571 952,00
PEARL	FEMCO	SINGAPORE	WILSON SONS	38.550,00	700 000,00
MALAVIYA TBN V398	GREAT OFFSHORE	CYPRUS	PETROSANTOS	41.000,00	1 100 000,00
BORCOS THAHIRAH 2	SYARIKAT BOROCs	MALAYSIA	PETROSANTOS	49.100,00	4 050 000,00
SKANDI EMERALD	NORSKAN	BAHAMAS	NORSKAN OFFSHORE	49.000,00	4 410 000,00
HAVILA NEPTUNE	HAVILA SHIPPING AS	NORWAY	ACAMIN NAVEGAÇÃO	54.950,00	2 500 000,00

On the TS 18000 the rates offered were tight. Maersk and Farstad bidding at an interesting level, rates increasing somewhat from previous tenders. Tidewater eager to keep VS486 William O Malley in the country, but not as much as Augusta, again bidding at a level significantly under the other candidates..

**AHTS 18000 - OFFERS**

VESSEL	OWNER	FLAG	BRAZILIAN OPERATOR	DAY RATE (USD)	MOB FEE
ASSO VENTITRE	AUGUSTA	ITALIAN	ASSO MARITIMA	34.000,00	-
WILLIAM C. O"MALLEY	TIDEWATER	VANUATU	PAN MARINE	44.800,00	-
MAERSK HANDLER	MAERSK SUPPLY SERVICE	ENGLAND	MAERSK SUPPLY SERVICE	46.800,00	-
MAERSK HELPER	MAERSK SUPPLY SERVICE	ENGLAND	MAERSK SUPPLY SERVICE	47.800,00	-
FAR SABRE	FARSTAD	ISLE OF MAN	FARSTAD SHIPPING AS	48.000,00	-
ALDEN J LABORDE	TIDEWATER	VANUATU	PAN MARINE	46.995,00	3 045 379,00
PACIFIC HAMPION	SWIRE	SINGAPORE	SWIRE PACIFIC	47.650,00	3 000 000,00
MAERSK TENDER	MAERSK SUPPLY SERVICE	DENMARK	MAERSK SUPPLY SERVICE	48.300,00	2 250 000,00
UOS ATLANTIS	UOS	ANTIGUA E BARBUDA	ASTRO INTERNACIONAL	51.494,00	1 000 000,00
NORMAND TITAN	SOLSTAD OFFSHORE	NORWAY	SOLSTAD OFFSHORE	53.795,00	-

The OSRV tender was postponed, we will publish further details in our next edition. .





# 08 OPERATOR UPDATE

RECENT DEVELOPMENTS FROM BRAZIL'S OIL & GAS COMPANIES

## FIRST OIL FOR OGX AND THE END OF THE PETROBRAS MONOPOLY

After some delays to departure from Guanabara Bay due to final adjustments, on January 11th the FPSO OSX 1 finally made its way to the Campos Basin, in the Waimea Field. The OSX 1 unit has a production capacity of 60 thousand barrel/ day and storage of 900.000 barrels.

After all procedures were finally concluded on January 31st, OGX announced the production of its first oil in the Extend Well Test, around two years after the discovery of the Waimea field, which marks a new record for the Brazilian Oil & Gas industry. The high hopes surrounding the field and the production unit have finally become a reality and it means the end of the OGX's pre operational period.

First Oil for OGX also means the start of a new phase for the Brazilian oil and gas industry - the end of the monopoly of the Brazilian Oil and Gas market for Petrobras. A private Brazilian company has been investing resources in this area, believing that it's possible to achieve profit and develop the country. This is the first oil produced for a 100% Brazilian Company in the offshore area, and now it's reaping the fruits of the courage and effort.

To begin with the production will be around 15.000 barrel per day with the intention to declare the commerciality by the end of the first semester. After that, OGX expects to connect two horizontal wells, which could results in a production of around 40.000 to 50.000 barrels per day by the second half of 2012.

Trading of OGX shares in Sao Paulo jumped 5.7% following the announcement of First Oil being achieved resulting in the highest price since April 2011. According to Mr. Paulo Mendonça, General Director of OGX, "This result will be repeated in the other Brazilian Basins in which OGX has already made discoveries". Next on the agenda is the production of 1.200.000 barrels that has already been sold to Shell for refining.

Attempts to replicate the success of OGX will likely be seen in the next ANP round as companies fight to secure resources, particularly human resources, in order to position themselves for a similar success story.

## A WORD WITH WESTSHORE

### Douglas Moura Shipbroker

"Stay tuned for Repsol, expected to start its drilling campaign in the second half of this year!"



OGX activities



# 09 DRILLING & PRODUCTION ROUNDUP

WHAT'S GOING ON OUT THERE?

It was October 2011 when the tender for up to 21 drilling rigs was launched by Petrobras yet despite what appeared to be such a bountiful opportunity, few drilling contractors chose to bid on the tender. After delays and much speculation the tender has finally been awarded to two parties, the first to well-known and

NASDAQ-listed Ocean Rig and the second is Sete Brasil. The latter is a relatively new entity made up of pension funds, investment companies and Petrobras itself. Sete Brasil scooped awards for 21 units and Ocean Rig five, all with long term commitments with Petrobras in place. As one might expect the tender had strict local content stipulations with all units to be constructed in Brazil leaving both Sete and Ocean Rig competing over yard space at the handful of capable yards in existence. Moreover the first unit will be due for delivery in 2015, ambitious given this will be the country's first delivery of a floating rig.

Announcements of chosen yards are expected within a couple of months, the likely candidates being Keppel Fels, Jurong



## THE LARGEST EVER RIG ORDER CONCLUDES

Aracruz and OSX. Speculation over the drilling package awards has been on-going since the tender was originally announced with NOV and Aker Solutions likely to emerge victorious given previous histories with the two rig contractors.

The tender which was originally aimed at exploiting Brazil's

pre-salt regions has expanded in its scope. What was originally a tender for 21 rigs has grown to 26 with other contract awards taking the total up to more than 30. What is clear is that the original tender was an underestimation of the total requirement of drilling capacity that would be needed to realise the ambitions of Petrobras in the massive pre-salt area. The upward revision in number is a clear reflection of the increasing demands this area will present. Further, the opportunities for suppliers is likely to be further reaching when the inevitable delays to these new rig orders nears. Put simply, if the rigs aren't built yet Petrobras will need to seek existing units to cover the requirement it has already identified and factored into the plans for the Pre-Salt region.

## A WORD WITH WESTSHORE

### Daniel Del Rio Managing Director

"Spot market AHTS availability may become NULL if Petrobras confirm the charter of the best positioned offers in the TS15000/TS18000 tender. Good opportunity for new entrants."



## OTHER NEWS

\* Seadrill's IPO of its Brazilian arm 'Seabras' on the Brazilian Stock Exchange has been delayed while the company makes changes to its corporate structure following discussions with Petrobras. The new Brazilian entity would encompass three deep water semisubmersible units already in operation in the region with plans for further expansion likely.

\* Pacific Drilling's ultra deepwater semi submersible Pacific Mistral has commenced its contract with Petrobras following slight delays to the original schedule. The unit delivered from Samsung Heavy Industry in Korea prior to mobilizing to Brazil.

# 10 INSIDE STORY

A LOOK AT SOME OF THE ISSUES WHEN DOING BUSINESS IN BRAZIL



struggle to cope with the Oil Industry demand. To give an example, Roads between Rio de Janeiro and Vitória are single carriageway, and having been recently privatized will not be widened until 2023! At the same time, the connection between São Paulo and Rio de Janeiro is only partially dual carriageway, but now requires 3 or 4 lanes each way to avoid the constant jamming it suffers from.

Notwithstanding, there is a solution that can be deployed fast and that would help address the connection between towns: Shipping. If building new roads or railways is expensive, takes a lot of time and in the end not the most efficient mode of transportation, Shipping can be deployed promptly, at the cost of slightly larger ports or just a tighter schedule, and is much more cost efficient and environmental friendly.

Whereas many complain about the governmental lack of action to stimulate shipping, the solution can be in the hands of private companies to trigger the process. In line with the Chicken and Egg Dilemma presented on Issue 4, here is another opinion that if Oil Companies, Shipyards and other Oil-related industries start to demand more vessels and barges to transport their goods between Rio, São Paulo and Vitória, Owners investment will come this way for a higher availability of such equipment. And indeed some companies have required such services in the recent years. For instance Shell, Petrobras, Brasdril, have all had demand for transport of goods by sea between these towns.

If every Oil / Service Companies started challenging the status quo of shipping goods by road, and look at shipping goods by sea as an upgrade, Charterers could be well under way to help develop a new solution. Making use of local flagged ships, PSVs, self-propelled or towed barges is an alternative. Further, it will help reduce man-hours and safety exposure, which although not directly translated into an economic figure, are strategically very relevant.

*by Alexandre Vilela, Marine Advisor*

## INFRASTRUCTURE & THE ROAD TO SUCCESS IN BRAZIL

**The Logistics infrastructure needed by the Oil and Gas industry in Brazil is at a critical stage, and the ongoing actions to upgrade it are not making much headway. Is a collapse on the cards? Maybe not if shipping lends a hand...**



The heart of Brazilian Manufacturing and Logistics lies in São Paulo. The well-developed south cone somewhat follows São Paulo and significant infrastructure extends out to attend to the transport of commodities; soya beans, sugar, coffee production attending local demand as well as exports. Additionally, some large and highly technological articles such as airplanes, and massive steel and consumer goods are also produced in the region, counting on such structure to allow the permanent flow of raw materials and finished products, in and out of the industrial sites and the country.

Rio de Janeiro, by many considered a major economy player in Brazil, in reality lives more in the past. The Oil Industry is possibly the only one that did not leave Rio de Janeiro in the past few decades to enjoy a better environment, conditions and structure in the south. Most recently, Rio started the process of

recovering its former status. And it is the resurgence of the support industry connected to the Oil - Refining, Shipping and others, that now requires much needed infrastructure, which is lacking and not at all close to the "developed" south. Further, the neighboring state of Espírito Santo is also receiving a number of companies, recently the notorious new Jurong Shipyard, and that increases the demand for an adequate portfolio of "infra" components.

Brazil has in that respect two characteristics that need attention: First, the system adopted to privatize and upgrade roads and their connections is inefficient. Second, the country is almost entirely based on road transportation, giving low attention to transport by sea or by rail. This is a cultural matter, affecting not only Authorities, but just as much the initiatives of businessmen and private enterprises. Therefore, the country will



# 11 É ISSO AÍ!

FINAL THOUGHTS FOR THIS MONTH

## PHANTOMBRAS!!

**2012** and no one has yet been able to reveal the mystery behind paranormal events that take place in the Torre Almirante building. Indeed an interesting challenge for ghost hunters. Since its inauguration, Petrobras employees as well as security and maintenance personnel are full of stories to tell. Strange noises echo in empty rooms and hallways, fire doors slam, steps and shouting can be heard, according to workers and frequent visitors.

Torre Almirante building has been built where the Andorinha building was located. In 1986 the Andorinha building was destroyed in a terrible fire killing 21 people and leaving more than 50 injured. Most of the fire doors were found locked.

The strange phenomena, taken very seriously by those who report them, are most common at night, when only a few people are working. But they also happen during the day. For instance, a newly employed Petrobras worker reports that since her arrival at Torre Almirante, her computer would shut down several times a day. Changing the computer or working at a colleagues' was not sufficient. An electrician that had checked the work station could not find any issues. After being told about the Andorinha building, she bought essences, a pyramid made of crystal. The situation improved, but the computer would still shut down. She says: "But then, after shouting at them: Leave me alone, enough with the jokes, I want to work", the problems with her computer were gone.

Another employee was going down the elevator with a colleague, and an automated message started to sound asking all people to leave the elevator due to excess of weight. Several telephones ring at the same time at night, alerting security guards - several report being caught by surprise more than once. Bathroom doors slam, sounds of furniture being dragged on the upper floor, etc. a number of mysterious sounds in Torre Almirante.

Interested in a visit?

*Based on an article by Simone Marinho from O Globo*

# 12 É ISSO AÍ!

FINAL THOUGHTS FOR THIS MONTH

“The man who doesn’t like **samba** is either not right in the head or simply can’t dance”

Carnival is a major celebration in Brazil, and the carnival of Rio de Janeiro, perhaps the best known, attracts thousands of domestic and foreign tourists. Every year at the time of Carnival, the city of Rio de Janeiro enjoys five days in an enviable air of joy. The locals seem to forget their problems and obligations and engage in a massive show of joy, dance and magic.

The date of Carnival varies from year to year and generally takes place between the end of February and early March. The official start of Carnival is always on a Saturday and ends at noon on the following Wednesday, called "Ash Wednesday". However many people start the celebrations on Friday. The importance of the Carnival is so great that many Brazilians view it as the start of the new year in Brazil.

The culmination of the carnival is the parade in the special "Marquês de Sapucaí" where various "Escolas de Samba" compete for the title of Carnival Champion competing with samba, bright colors, splendid costumes and beautiful women, the principal ingredients of this feast for the senses.

Thanks to the success of the Carnival, the city became a tourist attraction and large revenues are generated for the country. Each year the carnival grows in size with this year's event tipped to be the largest yet. Investment comes pouring in from ticket sales, advertising, broadcasting rights amongst others. The 2012 Rio Carnival formally opens Saturday 18th February and in honor of this we have dedicated this issue of Brazilian Wave to the fantastic event.



## TAKE TWO

A rare fog descends over Rio as seen from the Westshore do Brasil office, here one day and gone the next!

