

NEWSLETTER

OIL & GAS

MAY 26

INSIGHTS

May 2026 was marked by intense regulatory activity in the oil and gas sector. In the upstream segment, new cycles of Permanent Offer were launched under the concession and production-sharing regimes. The ANP conducted a preliminary consultation on the right of first refusal for Brazilian suppliers in E&P contracts, as well as on financial guarantees for decommissioning.

The ANP also held a workshop on dynamizing the exploration phase. The STF began its judgment of the “Royalties’ Direct Unconstitutionality Action.”

In the biomethane and natural gas segment, a public consultation was ordered regarding the application of the Recovered Capital Method to NTS and TAG gas pipelines. The São Paulo Court ruled in favor of the natural gas marketer, waiving the state inspection fee.

In the fuel sector, the ANP will conduct a public consultation to regulate the criteria used to identify abusive fuel price increases. The regulation of fuel storage services was also submitted for public consultation. Regarding anhydrous ethanol, the ANP is conducting a public consultation on its marketing and the formation of off-season stocks. Waterway fuels are the subject of regulatory actions whose schedule was altered in May.

The exceptional relaxation of diesel and gasoline inventory requirements has been extended. In the biofuels sector, the MME approved a Testing Plan to assess the technical feasibility of using diesel fuel with biodiesel content of up to 25%. A new joint ordinance issued by the MME and MMA establishes a minimum requirement of 1% for the use of waste oils and fats in biofuel production. Provisional Measure No. 1,358/2026 authorized economic subsidies for producers and importers of gasoline and road diesel.

Finally, the Senate approved Brazil’s accession to the 1992 Protocol to the International Convention on Civil Liability for Oil Pollution Damage, amending the limits on compensation amounts in the event of an accident.



UPSTREAM

ANP LAUNCHES NEW CYCLES OF THE PERMANENT OFFER

On May 22, 2026, the ANP (National Agency of Petroleum, Natural Gas and Biofuels) published the schedules for the 6th Cycle of the Permanent Offer under the Concession Regime (OPC) and the 4th Cycle of the Permanent Offer under the Production Sharing Regime (OPP).

Regarding the 6th Cycle of the OPC, 495 exploration blocks are available for bidding, as well as 5 areas with marginal accumulations, which are located within 11 sedimentary basins: Campos, Ceará, Espírito Santo, Parecis, Parnaíba, Potiguar, Recôncavo, Santos, São Francisco, Tacutu and Tucano. Interested companies must register via the following link: [Bidder Registration — OPC](#) until **June 5, 2026**, in accordance with the procedures and requirements established by the ANP. Currently, 36 companies are already registered for the OPC.

In the 4th Cycle of the OPP, there are 23 blocks available for bidding, located in the Campos Basin and the Santos Basin. Interested companies must register via the following link: [Bidder Registration — OPP](#) by **June 5, 2026**, joining the 15 companies that are already registered for the OPP.

Participation in the new cycles of the Permanent Offer will be considered upon submission of a statement of interest by registered companies, along with the bid guarantee, until **July 21, 2026**.

According to the ANP's schedule, the public sessions for the submission of bids for the 6th Cycle of the OPC and the 4th Cycle of the OPP are scheduled for October 7, 2026.

The rules of the bidding process are provided in the tender protocols, which can be accessed through the following links: [OPC Tender Protocol](#) and [OPP Tender Protocol](#).

ANP CONDUCTS PRELIMINARY CONSULTATION ON PREFERENCE RULES FOR BRAZILIAN SUPPLIERS

On May 25, 2026, the ANP launched a preliminary consultation regarding the preferential right for Brazilian suppliers in E&P contracts. The subject of the consultation is [Regulatory Impact](#)

Analysis (AIR) 01/2026/SCL, which will serve as a basis for formulating regulations on local content policy regarding the rights of Brazilian suppliers, in accordance with CNPE Resolution No. 11/2023.

The preliminary consultation addresses the procedures that operators must adopt to ensure equal opportunities for Brazilian suppliers and the criteria for applying the preference clause, including differentiated margins for supplies developed under the Research, Development, and Innovation (RD&I) clause. Furthermore, the proposal entails the periodic disclosure of operators' procurement schedules for goods and services, ANP oversight procedures, and applicable penalties.

The results of the prior consultation will be used to prepare a new version of the AIR report. Subsequently, the matter will be submitted to the ANP Board of Officers for deliberation to proceed with the regulatory action.

Preliminary Consultation No. 01/2026 will accept contributions until July 24, 2026, which must be sent to the email address scl@anp.gov.br using the submission form.

ANP OPENS PUBLIC CONSULTATION ON FINANCIAL GUARANTEES FOR DECOMMISSIONING

On May 22, 2026, the ANP initiated Public Consultation No. 09/2026 concerning amendments to the frequency of submission of financial guarantees for the decommissioning of O&G production facilities.

The draft resolution proposes an amendment to ANP Resolution No. 854/2021, with the objective of requiring the submission of financial guarantees on a triannual basis, as opposed to the current annual requirement.

Public Consultation No. 09/2026 accepted comments until July 8, 2026, via this link. The public hearing is scheduled to take place on August 12, 2026, and interested companies can register to participate through this link.

ANP HOSTS WORKSHOP ON DYNAMIZING THE EXPLORATION PHASE

On May 21, 2026, the ANP held a workshop on the subject of "Dynamizing the Exploration Phase." The event convened companies holding E&P contracts to deliberate measures that would enhance the efficiency of the exploration phase.

The analysis revealed that the delay in achieving exploration phase milestones resulted in complications during the streamlining process, primarily due to delays in drilling the initial exploration well, progressing with the PAD, and submitting the commerciality declaration. It was identified that the late achievement of milestones in the exploration phase constitutes a barrier to the dynamization of that phase, due to delays in the drilling of the first exploratory well, in the progress of the Appraisal Discovery Plan, and in the submission of the declaration of commerciality. This inefficiency has resulted in substantial losses for the sector, including prolonged contract inactivity and extended exploration phases. In addition to the financial losses incurred, delays in the process can lead to the postponement of the booking of reserves and the availability of areas within the Permanent Offer.

In this scenario, the ANP intends to update the regulation through changes in three main areas: (i) bringing forward the completion of exploration milestones; (ii) improving the conditions required for extending the phase; and (iii) modifying the list of activities eligible for deduction from the Minimum Exploratory Program (MEP).

In the first axis, among the regulatory alternatives are the adoption of deadlines proportional to the offered MEP, the creation of predefined deadlines for relevant milestones, and the strengthening of the Exploration Work Plan. In the second axis, the need to define more specific criteria for extensions was discussed, favoring the efficient management of the exploration schedule.

In the third axis, the participants discussed the possibility of expanding the activities eligible for deduction under the MEP, including activities related to decarbonization, underground storage, and the infrastructure required for licensing.

Those interested in contributing to the discussion could submit their comments to the ANP via the workshop webpage, available at this [link](#), by June 8, 2026.

ANP ESTABLISHES SPECIFIC CRITERIA FOR CLASSIFYING MARGINAL FIELDS

On May 29, 2026, the ANP's Board of Directors determined that its technical staff should establish the criteria, methodology, and analytical procedures applicable to the classification of fields with marginal economic viability not expressly provided for in ANP Resolution No. 877/2022, in order to regulate Article 15 of the Resolution.

The Board understood that the establishment of objective criteria will complement the regulation and guide the technical area in analyzing applications for classification.

The ANP's Exploration and Production Superintendence (SDP) has 60 days to complete the rulemaking. During this period, proceedings related to the classification of fields as marginal will be suspended.

ROYALTIES' DIRECT UNCONSTITUTIONALITY ACTION: BRAZILIAN FEDERAL SUPREME COURT BEGINS TRIAL

On May 7, 2026, the Brazilian Supreme Court (STF) began the trial of the so-called "Royalties ADI," which involves Direct Unconstitutionality Actions (ADIs) No. 4,916, 4,917, 4,918, and 4,920. These actions challenge the constitutionality of Law No. 12,734/2012, which amended the regime for distributing royalties among federal entities. Some of the challenged provisions have been suspended since 2013 pursuant to a preliminary injunction granted by the reporting Justice, Justice Cármen Lúcia.

With the aim of benefiting non-producing and non-adjacent states and municipalities, the contested law created a special fund for states and the Federal District and another for municipalities, to which a portion of oil and natural gas production revenues would be allocated. These funds would be distributed to non-producing entities, while producing and adjacent entities would retain a separate share of royalties and government takes.

The new distribution system triggered a federal dispute between producing and non-producing entities. On one side, producing entities argue that the legislative change would significantly reduce their revenues, even though they continue to bear the environmental, administrative, economic, and social impacts of oil and natural gas exploration and production. On the other side, non-producing entities invoke the principle of federal equality, arguing that royalties from oil and gas exploration should be distributed among all federative entities according to statutory percentages.

Justice Cármen Lúcia voted to declare all challenged provisions unconstitutional, including Articles 42-B, §§ 1º, 2º, 3º and 4º; 42-C; and 49, item IV, and § 1º of Law No. 12,351/2010, as amended by Law No. 12,734/2012, as well as Articles 48, item II, §§ 1º, 2º and 4º; 49, item II, §§ 4º, 5º and 6º; 49-A and sole paragraph; 49-B and sole paragraph; 49-C and sole paragraph; 50, §§ 2º, 4º, 5º, 6º e 7º; 50-A and sole paragraph; 50-B and sole paragraph; 50-C and sole paragraph; 50-D and sole paragraph; 50-E and sole paragraph; and 50-F and sole paragraph of Law No. 9,478/1997, as amended by Law No. 12,734/2012.

The vote recognized the compensatory nature of royalties and government takes. Accordingly, entities whose territories are not linked to producing areas would not hold a constitutional right to share production results.

Historically, royalties and government takes have been governed based on ownership of the produced resources and the logic of compensation for the burdens arising from exploration and production. Therefore, the allocation of such revenues must comply with constitutional parameters that protect entities directly affected by production activities.

According to the Justice, federal equality should not be understood as requiring equal and undifferentiated distribution of natural resource revenues, since producing and adjacent entities bear specific environmental, administrative, economic, and financial burdens directly related to exploration and production activities.

She further noted that the legislature's role is limited to defining the form, criteria, and percentages for distributing government takes, provided such definitions comply with constitutional boundaries. Although reducing regional inequalities is a constitutional objective, this does not justify transforming royalties into a general redistributive mechanism, particularly when doing so would reduce or eliminate constitutionally granted rights of directly affected entities.

In this context, the Constitution established a balance between royalty revenues and the ICMS tax regime on petroleum transactions. Article 155, §2, X(b) of the Federal Constitution prohibits the levy of ICMS on interstate shipments of petroleum and its by-products, shifting tax collection to the destination state rather than the producing state.

Reducing the percentage of royalties allocated to producing states and municipalities would diminish compensation for the administrative, financial, social, and environmental burdens arising from exploration activities. This would worsen the federal imbalance, as producing entities would lose a significant portion of royalties while still being unable to collect ICMS on interstate petroleum transactions. Conversely, non-producing entities would benefit both from ICMS collection at destination and from receiving government takes, despite not directly bearing the negative impacts of exploitation.

The contested law also provides for its application to contracts entered into prior to its enactment. Such retroactivity violates legal certainty by affecting established legal relationships and vested rights, contrary to Article 5, XXXVI of the Constitution.

The reporting Justice's vote, which finds all challenged provisions unconstitutional, also encompasses provisions not included in the 2013 injunction: Paragraphs 1, 2 and 4 of Article 48(II); paragraphs 4, 5 and 6 of Article 49(II); paragraphs 4 to 7 of Article 50; Article 50-F and its sole paragraph; the sole paragraphs of Articles 49-A, 49-B, 49-C, 50-A, 50-B, 50-C, 50-D and 50-E of Law No. 9,478/1997, as amended by Law No. 12,734/2012; and Articles 42-B, paragraphs 1, 2, 3 and 4; 42-C; and 49, item IV, and paragraph 1, of Law No. 12,351/2010, as amended by Law No. 12,734/2012. These provisions remain in force until the end of the trial.

Following the reading of the opinion, Justice Flávio Dino requested further review (*vista*), suspending the trial. As of now, the score stands at 1–0 in favor of upholding the Direct Unconstitutionality Actions (ADIs) No. 4,916, 4,917, 4,918, and 4,920.



NATURAL GAS & BIOMETHANE

ANP APPROVES PUBLIC CONSULTATION ON THE RECOVERED CAPITAL METHOD (RCM) CALCULATION

On May 29, 2026, the ANP Board of Officers ordered a public consultation on the application of the RCM to the NTS (Southeast Network) and TAG (Northeast Network) natural gas transmission pipelines.

The subject of the consultation consists of two ANP technical notes. These documents present the parameters and results of the calculations performed by the ANP regarding the RCM. The method for valuing the Regulatory Asset Base (BRA) to be adopted in the 2026-2030 Tariff Cycle has yet to be determined.

Information regarding the public consultation will be published on the [ANP website](#).

SÃO PAULO COURT DECISION SUSPENDS GAS TRADING INSPECTION FEE FOR ENEVA

On April 27, 2026, a São Paulo trial court issued a ruling exempting Eneva from the natural gas trading inspection fee in São Paulo's free market (TFCR). The ruling acknowledges that the fee charged by ARSESP (the São Paulo regulatory agency) encroaches on the exclusive authority of the Federal Government and the ANP to regulate the trading of natural gas.

Furthermore, the company argued that the amount demanded did not constitute the exercise of police power. The ruling also acknowledged the argument that the fee's calculation basis is inappropriate and its amount is excessive.

This ruling may set a precedent for claims by other gas marketers. However, ARSESP has announced its intention to appeal the decision, asserting the legality and consistency of the fee with State Complementary Law No. 1,413/2024.

ANP ADVANCES REGULATIONS ON THIRD-PARTY ACCESS TO NATURAL GAS TRANSPORTATION AND PROCESSING INFRASTRUCTURE

On May 29, 2026, the ANP Board of Officers formed a majority – with three directors voting in favor – to submit for public consultation the draft resolution governing non-discriminatory third-party access to offloading natural gas pipelines and natural gas processing plants, in accordance with the New Gas Law (Law No. 14,134/2021). The process was suspended following a request for review by the Director-General, leaving the matter pending further deliberation by the Board.



FUELS

ANP CONDUCTS PUBLIC CONSULTATION TO ESTABLISH CRITERIA FOR ABUSIVE FUEL PRICE INCREASES

On May 29, 2026, the ANP Board of Officers approved the holding of a public consultation and hearing on two draft resolutions. These draft resolutions aim to establish criteria for identifying abusive fuel price increases. One draft resolution pertains to retail fuel and liquefied petroleum gas (LPG) dealers, while the other is specific to distributors of these products.

The proposed methodology uses gross margin as a parameter to distinguish between abusive and legitimate price increases resulting from rising costs. In this regard, a comparison will be made of gross margins applied by the same entity during different periods to identify deviations from the usual profitability pattern of the inspected retailer or distributor.

The drafts also propose an initial 10% threshold for identifying potentially abusive conduct during periods of geopolitical conflict or public calamity, in line with international experience on the subject.

Once the proceeding has been initiated and the notice has been served, the party will have the opportunity to submit relevant documentation demonstrating that the price increase resulted from an actual rise in costs, duly substantiated.

If the justification presented is deemed acceptable by the relevant authority, the conduct will not be classified as abusive, and the proceedings will be closed without the imposition of a sanction. Conversely, in instances where an acceptable justification is not provided or sufficient supporting documentation is not presented, the corresponding notice of violation will be issued.

Information regarding the public consultation will be published on the [ANP website](#).

ANP OPENS PUBLIC CONSULTATION ON STORAGE SERVICES PROVIDED BY PRODUCERS OF PETROLEUM AND NATURAL GAS BY-PRODUCTS

On May 13, 2026, the ANP initiated a public consultation to amend ANP Resolution No. 852/2021 concerning storage services and the allocation of storage capacity by producers of petroleum and natural gas by-products to other entities regulated by the ANP.

The proposed amendments pertain to Articles 26 and 42 of the current resolution. Regarding Article 26, the primary provision authorizing such services on a non-discriminatory basis remains unaltered. However, new paragraphs have been incorporated that refine the criteria for the storage of third-party products, i.e., products not manufactured by the agent itself. In this scenario, the company must formally designate the tanks intended for this purpose. These tanks will then be governed by the rules applicable to terminals, pursuant to ANP Resolution No. 52/2015. Additionally, tanks connected by pipelines to an adjacent terminal may be authorized to operate in an integrated manner. When the terminal and production facility are operated by the same legal entity, separate accounting cost centers must be maintained.

Regarding Article 42, the proposal entails its comprehensive replacement with a new provision, which establishes a transition regime for authorizations concerning the assignment of space that has already been published, in accordance with ANP Resolution No. 16/2010. These authorizations may be extended for a maximum period of two years, provided that the company enters into a Conduct Adjustment Agreement with the ANP. This agreement would enable the company to bring its facilities into compliance with the new requirements of Article 26. Compliance with this new resolution is required within six months of its publication.

Public Consultation No. 8/2026 accepts comments until June 26, 2026, via this [link](#). The public hearing is scheduled for July 28, 2026, and interested parties may register through this [link](#).

ANP CONDUCTS PUBLIC CONSULTATION ON MARKETING AND INVENTORIES OF OFF-SEASON ANHYDROUS ETHANOL

On May 27, 2026, the ANP initiated a public consultation on the draft update to Resolution No. 946/2023, which governs the marketing of anhydrous fuel ethanol and the formation of stocks for the sugarcane off-season period.

The draft resolution eliminates the mandatory stockpiling requirement during the off-season and abolishes the direct purchase regime. Distributors that fail to meet the pre-harvest procurement target must purchase ethanol directly from suppliers to build their inventories.

The text proposes allowing distributors that fail to meet the procurement target to sell gasoline C in a volume proportional to the contracted ethanol. Additionally, it allows distributors to procure ethanol directly throughout the harvest season.

Public Consultation No. 10/2026 accepts comments until July 10, 2026, through this [link](#). The public hearing is scheduled for August 3, 2026, and interested parties must register through this [link](#).

ANP UPDATES SCHEDULE FOR MARINE FUEL REGULATION

On May 8, 2026, the ANP Board of Officers approved the new schedule for the regulatory action to revise Resolution No. 903/2022, which governs the marketing and specifications of marine fuels.

The objective of the revision is to align the regulation with the latest version of ISO 8217, which establishes new specifications for the addition of biofuels to marine diesel oil and bunker fuel.

The new timeline postpones the opening of the public consultation for discussion of the draft to June 2026, with approval and publication of the standard expected in December 2026. The public consultation will be published on the [ANP website](#).

ANP EXTENDS DEADLINE FOR EXCEPTIONAL FLEXIBILITY IN DIESEL AND GASOLINE INVENTORIES

On April 17, 2026, the ANP announced an extension of the deadline for the inventory flexibility provided for in Resolution No. 949/2023. This extension, communicated via an official letter to regulated entities, will allow for an additional two months to comply with the new deadline.

The initial deadline for the exceptional flexibility was set to expire on April 30, 2026. The extension will ensure that the flexibility remains in effect until June 30, 2026. This initiative is part of a broader strategy promoted by the ANP to ensure the national fuel supply in the face of current geopolitical developments.

Consequently, petroleum product producers and fuel distributors will be able to continue supplying A-grade gasoline, A S10 diesel, and A S500 diesel without being required to maintain weekly inventories.

MME PUBLISHES TESTING PLAN TO EXPAND BIODIESEL USE

On May 19, 2026, the MME approved the Testing Plan to Assess the Technical Feasibility of using diesel fuel with biodiesel content of up to 25%, through MME Normative Ordinance No. 133/2026. The plan is the result of studies conducted by the Permanent Technical Committee on Fuel of the Future (CTP-CF), created by the CNPE.

The document outlines a series of tests to be conducted collaboratively by representatives of the government and the private sector, including automakers, engine manufacturers, and fuel distributors, as well as universities and research institutes. A range of mechanical and physicochemical assessments of engines are scheduled to evaluate various biodiesel content levels above 15%.

MME AND MMA ESTABLISH MINIMUM REQUIREMENTS FOR THE USE OF WASTE OILS AND FATS IN BIOFUEL PRODUCTION

On May 13, 2026, the Ministry of Mines and Energy and the Ministry of the Environment issued the [Interministerial Ordinance MME/MMA No. 3/2026](#), which stipulates a minimum requirement of 1% for the incorporation of waste oils and fats (WOF) in the production of biodiesel, SAF, and green diesel.

The establishment of a minimum percentage for the use of WOF was determined by CNPE Resolution No. 13/2024, with the aim of reducing the carbon intensity of Brazil's energy mix and promoting investments in the collection and proper treatment of residual fats.

According to the ordinance, the minimum percentage will be voluntary between 2026 and 2027, becoming mandatory for producers of biodiesel, SAF, and green diesel starting in 2028. The regulation applies exclusively to producers who utilize waste oils or fats as feedstock in their manufacturing processes.

PROVISIONAL MEASURE ESTABLISHES SUBSIDIES FOR GASOLINE PRODUCTION AND IMPORTATION

On May 13, 2026, [Provisional Measure No. 1,358/2026](#) was published, authorizing the granting of economic subsidies to producers and importers of gasoline and diesel fuel for road use. The measure was justified based on the need to ensure the supply of the domestic fuel market, given the conflict-ridden international scenario.

The subsidy may be granted up to the limit of the amount of federal taxes applicable to the production or importation activity. On May 25, 2026, [Decree No. 12,984/2026](#) was published, regulating Provisional Measure No. 1,358 and establishing the periods for calculating the economic subsidy, as well as the rules for participation and oversight of beneficiaries.

The economic subsidy for gasoline was established by [Ministry of Finance Ordinance No. 1,496/2026](#), which set the subsidy amount at R\$ 0.44 per liter of gasoline A.



OIL POLLUTION

BRAZILIAN SENATE APPROVES ACCESSION TO INTERNATIONAL PROTOCOL ON OIL SPILLS

On May 27, 2026, the Federal Senate ratified Brazil's accession to the 1992 Protocol, as amended in 2000, to the International Convention on Civil Liability for Oil Pollution Damage (CLC). The document, produced by the IMO, establishes rules for compensation in the event of an oil spill into the environment.

The primary update consists of an increase in the compensation limits for owners of oil tankers in cases of oil spill accidents. The maximum limits were increased from BRL 407 million to BRL 613 million. The minimum limits have also been adjusted, increasing from BRL 20.5 million to BRL 30.8 million, depending on the vessel's size. Civil liability for spills will apply to disasters occurring up to 370 km from the coast (Exclusive Economic Zone), and not just to accidents occurring in territorial waters.

At present, 144 countries have formally agreed to the protocol. Brazil is a signatory to the CLC, but its protocol will only take effect domestically upon promulgation of the text by the President of the Republic.

TALK WITH US

Our Newsletter aims to keep our clients up to date with the latest news and regulatory changes in the oil and gas sector. For detailed legal advice, please contact our specialized team:

OIL & GAS TEAM



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The logo for CESCON BARRIEU, featuring the company name in a bold, white, sans-serif font. The background is a vibrant, abstract pattern of blue, red, and yellow colors, resembling a stylized globe or a colorful nebula.

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