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## **REIDI - This is the Special Arrangement for Incentives for the Development of Infrastructure.**

## Comparison between Normative Ordinance No. 19/GM/MME/21 and MME Normative Ordinance Nos. 404/09 and 406/09

Normative Ordinance No. 19/GM/MME, of August 16, 2021	MME Normative Ordinance No. 404, of October 20, 2009	MME Normative Ordinance No. 406, of October 20, 2009
Establishes the procedures for the approval of pipeline projects for the oil, natural gas, and biofuels sector and for natural gas production and processing infrastructure for the Special Arrangement for Incentives for Infrastructure Development - REIDI, instituted by Law No. 11,488, of June 15, 2007, and sets forth other provisions.	Establishes the procedures for the approval of projects for pipelines for the flow, transfer, and transport of oil, natural gas, oil byproducts, and natural gas or biofuels and for pipelines for the distribution of local piped gas services, for the Special Arrangement for Incentives for Infrastructure Development - REIDI, instituted by Law No. 11,488, of June 15, 2007, and sets forth other provisions.	Establishes the procedures for approval of investment projects in natural gas production or processing infrastructure, for the Special Arrangement for Incentives for Infrastructure Development - REIDI, instituted by Law No. 11,488, of June 15, 2007, and sets forth other provisions.
The MINISTER OF MINES AND ENERGY, Deputy, in the use of the powers conferred upon her by article 87, sole paragraph, subsections II and IV, of the Constitution, in view of the provisions of Law No. 11,488, of June 15, 2007, Decree No. 644, of July 3, 2007, article 4, sole paragraph, of Decree No. 10,139, of November 28, 2019, and what is contained in Case No. 48001.003991/2009-00, resolves:	The MINISTER OF MINES AND ENERGY, in the use of the powers conferred upon him by article 87, sole paragraph, subsections II and IV, of the Constitution, in view of the provisions of article 1 of Law No. 11,488, of June 15, 2007, article 5, subsection V, and article 6 of Decree No. 6,144, of July 3, 2007, resolves:	The MINISTER OF MINES AND ENERGY, in the use of the powers conferred upon him by article 87, sole paragraph, subsections II and IV, of the Constitution, in view of the provisions of article 1 of Law No. 11,488, of June 15, 2007, article 5, subsection II, item "b", and article 6 of Decree No. 6,144, of July 3, 2007, resolves:
Article 1. The private legal entity, owner of an infrastructure project in the oil, natural gas and their derivatives, and biofuels sector, may request inclusion of the respective project in the Special Arrangement for Incentives for Infrastructure Development - REIDI.	Article 1. The private legal entity, owner of a pipeline infrastructure project for the flow, transfer, transport of oil, natural gas, oil byproducts and natural gas or biofuels or pipeline infrastructure project for the distribution of local piped gas services, interested in qualifying for the Special Arrangement for Incentives for	Article 1. The private legal entity, owner of an investment project in natural gas production or processing infrastructure, interested in being included in the Special Arrangement for Incentives for Infrastructure Development - REIDI, shall request of the National Agency of Petroleum, Natural Gas and Biofuels - ANP classification of



	Infrastructure Development - REIDI, shall request of the National Agency of Petroleum, Natural Gas and Biofuels - ANP classification of the respective project in the aforementioned Arrangement.	the respective project in the aforementioned Arrangement.
1. The infrastructure projects referred to in the head paragraph should be subject to permission, authorization, or concession, under the terms of current legislation and regulations, and fit into one of the following categories:	Article 2. For approval for the REIDI, the pipeline projects must fit into one of the following categories:  I - flow or transfer pipelines;	
I - fuel transportation pipelines;	II - authorized transport pipelines;	
II - fuel transfer pipelines;	III - granted transportation pipelines; and	
III - gas pipelines under regulation of the National Agency of Petroleum, Natural Gas, and Biofuels - ANP;	IV - state pipelines for local piped gas distribution services.	
IV - pipelines for the provision of local piped gas services;		
V - production of non-associated natural gas; and		
VI - natural gas processing.		
2. For the purposes of this Ordinance, a project is defined as a work or set of works related to the same venture, with a defined deadline and scope.	Article 1, paragraph 1. For the purposes of this Ordinance, a project is defined as a work or set of works related to the same venture.	Article 1, paragraph 1. For the purposes of this Ordinance, a project is defined as a work or set of works related to the same venture.
Paragraph 3. The legal entity that executes the project, incorporating the infrastructure work into its fixed assets is considered the owner of an infrastructure project.	Article 1, paragraph 2. The following are considered to be owners of the pipeline project: I - the legal entity that executes the project, incorporating the infrastructure work into its fixed assets; or II - in the case of a project executed in a consortium, alternatively:	Article 1, paragraph 3. The following are considered to be natural gas production or processing project owners:  I - the legal entity that executes the project, incorporating the infrastructure work into its fixed assets; or

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	<ul><li>(a) the legal entities participating in the consortium, in which case all of them shall submit the required documentation; or</li><li>b) the lead legal entity of the consortium, in which case only it shall submit the required documentation.</li></ul>	II - in the case of a project executed in a consortium, alternatively:  a) the legal entities participating in the consortium, in which case all of them shall submit the required documentation; or  b) the lead legal entity of the consortium, in which case only it shall submit the required documentation.
Article 2. The request for classification of the project must be done:		
I - with the ANP, in the case of projects from the categories of article 1, paragraph 1, subsections I to III, V, and VI; and		
II - with the Bureau of Petroleum, Natural Gas and Biofuels - SPG of the Ministry of Mines and Energy, in the case of projects in the category of article 1, paragraph 1, IV.		
1. The request referred to in the head paragraph shall be made by means of the Form in Exhibit I completed and signed by the legal representatives	Article 1, paragraph 3. The request referred to in the head of this article must contain:	Article 1, paragraph 4. The request referred to in the head of this article must contain:
with management powers, according to the articles of incorporation of the legal dentity owner of the project, by the technical manager and the accountant of the legal entity owner of the project, accompanied by the following information and documents:	I - the business name of the legal entity owning the pipeline project to be analyzed, as well as its registration number in the National Register of Corporate Taxpayers - CNPJ; II - the description of the pipeline project,	I - the business name of the legal entity that is the owner of the natural gas production or processing project to be analyzed, as well as its registration number with the National Register of Corporate Taxpayers - CNPJ;
I - of the legal entity that owns the project:	including:	II - a description of the project, comprising:
a) business name;	<ul><li>a) name of the venture;</li><li>b) number of Construction Authorization, issued</li></ul>	a) name of the venture;      b) number of the Construction Authorization,
b) registration number in the National Register of Corporate Taxpayers - CNPJ; and	by the ANP, if the pipeline is for the flow, transfer, or transport of oil, natural gas, or oil by-products	issued by the ANP, related to the natural gas production or processing project;



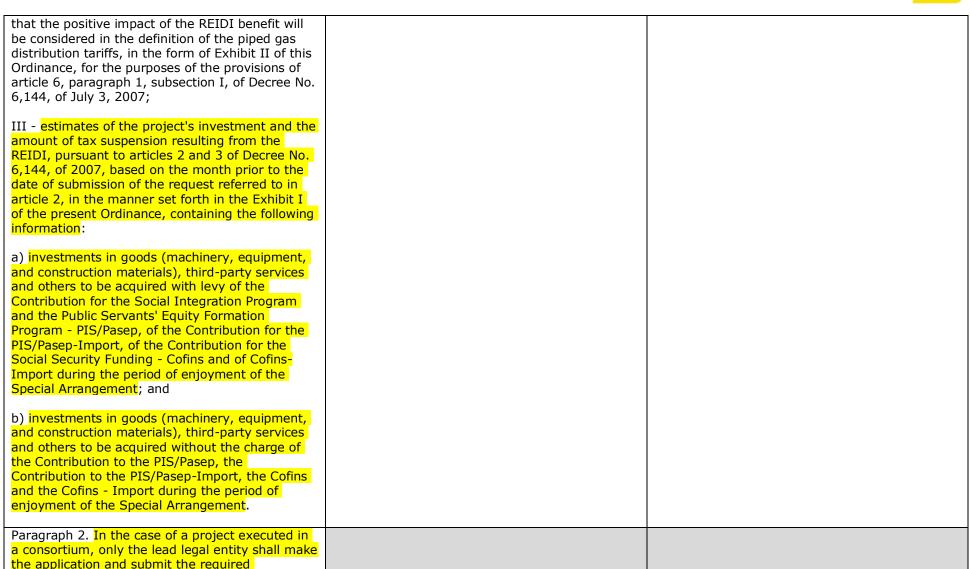
- c) name and Individual Taxpayers' Registry (CPF) number of the legal representatives, the technical manager, and the accountant;
- II the infrastructure project:
- a) name of the venture;
- b) the category it falls into, among those indicated in article 1, paragraph 1;
- c) act of granting permission, authorization, concession, or equivalent administrative act issued by the competent body;
- d) location of the venture: Municipalities and States of the Federation;
- e) description of the project, with dimensions, general characteristics and main constituent elements of the venture;
- f) physical and financial schedule for implementation of the project;
- g) indication of the start and end date of implementation of the project;
- h) form of Exhibit I of this Ordinance, signed by the legal representatives, technical manager, and accountant of the legal entity owner of the project; and
- i) in the case of pipelines to be classified in article 1, paragraph 1, subsection IV, because they are pipelines with contracts regulated by the State Public Power, declaration of the competent body, representing the state granting power, confirming

- and natural gas, or a copy of the equivalent administrative act, issued by the competent state or municipal agency, if the pipeline is for the distribution of piped gas;
- c) copy of the Installation License, issued by the competent environmental agency, in the event the pipeline is for biofuels;
- d) location of the venture: Municipalities and States of the Federation;
- e) dimensions and general characteristics of the venture;
- III indication of the option referred to in article 1, paragraph 2, subsection II, of this Ordinance, in the case of projects executed in a consortium.

Article 2, paragraph 3. As these are pipelines with contracts regulated by the State Public Power, for the approval of the projects referred to in subsection IV of the head paragraph of this article, the agent interested in qualification shall submit, in addition to the documentation required in article 1, declaration of the competent body, representing the state granting power, attesting to the authenticity of the project and confirming that the positive impact of the REIDI benefit will be considered in the definition of the piped gas distribution tariffs, in the form of Exhibit I.

- c) name of the field and number of the ANP Board of Directors Resolution that approved the Development Plan, if the request refers to a natural gas production field;
- d) location of the venture: Municipalities and States of the Federation; and
- e) dimensions and general characteristics of the venture;
- III in the case of projects executed in a consortium, the indication of the option referred to in article 1, paragraph 3, subsection II, of this Ordinance.





information and documentation.



Paragraph 3. The legal entity that owns the project may request of the ANP the REIDI classification simultaneously with the request for Construction Authorization of the project to be classified in article 1, paragraph 1, subsections I to III, V, and VI, cases in which the requirement of article 2, paragraph 1, subsection II, letter "c", shall apply to close the analysis, pursuant to article 3, paragraph 4.	Article 1, paragraph 4. The legal entity or the interested consortium, when applicable, may request of the ANP inclusion in the REIDI simultaneously with the request for Construction Authorization of the pipeline infrastructure project, in which case the requirement of letter "b" of subsection II of paragraph 3 of this article shall not apply.	
Paragraph 4. For the purposes of the provisions of article 6, paragraph 1, subsection I, of Decree No. 6,144, of 2007, the approval of transport gas pipeline projects, to be classified in article 1, paragraph 1, subsection III, is conditioned on the ANP's declaration that the REIDI benefits were considered in the calculation of the transportation tariff.	Article 2, paragraph 2. Because they are pipelines with contracts regulated by the Federal Public Power, approval of the projects referred to in subsection III of the head paragraph of this article is subject to the declaration by the ANP that the REIDI benefits were considered in the calculation of the ceiling price of the annual revenue used as a parameter in the bidding for the concession of the right to operate the pipeline.	
Article 3. In the case of article 2, subsection I, the ANP shall analyze the appropriateness of the application to the terms of Law No. 11,488, of June 15, 2007, and Decree No. 6,144, of 2007, as well as the conformity of the documents submitted.	Article 3. The ANP shall analyze the appropriateness of the request to the terms of Law No. 11,488, of June 15, 2007, and Decree No. 6,144, of 2007, as well as the conformity of the documents submitted.	Article 2. The ANP shall analyze the appropriateness of the request to the terms of Law No. 11,488, of 2007, and Decree No. 6,144, of 2007, as well as the conformity of the documents submitted.
In the event that a deficiency is found in the supporting documentation for the application, the applicant shall be notified, preferably by means of the e-mail addresses stated in the application, to regularize the deficiencies within twenty days, as of the date of notice, under penalty of the proceeding being shelved.	Article 3, paragraph 1. In the event that insufficient information is found in the application, the applicant shall be ordered to remedy the deficiencies within twenty days from the date of notice.	Article 2, paragraph 1. In the event that insufficient information is found in the application, the applicant shall be ordered to remedy the deficiencies within twenty days, counted as of the respective knowledge.
In the analysis referred to in the head paragraph, the ANP shall opine on the adequacy of the claim, the conformity of the project, and the documents		

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submitted, including the reasonability of the estimates of the investments and the value of suspension of taxes and contributions resulting from Reidi.		
Paragraph 3. The ANP may hear the Energy Research Company - EPE as to the reasonability of the estimates of the investments.		
Once the analysis referred to in the head paragraph is completed, the ANP shall submit documents relevant to the Case and forward it to the Ministry of Mines and Energy, reporting, in the Letter sent, the data and the list of documents submitted, as provided for in article 2, paragraph 1, and the classification category of the project in accordance with article 1, paragraph 1.	Article 3, paragraph 2. Once the analysis referred to in the head paragraph is completed, in the event the appropriateness of the request is confirmed, the ANP shall issue an Official Letter to the Ministry of Mines and Energy - MME, suggesting approval of the project.	Article 2, paragraph 2. Once the analysis referred to in the head paragraph is completed, in the event the appropriateness of the request is confirmed, the ANP shall issue an Official Letter to the Ministry of Mines and Energy - MME, listing the documents submitted, reporting the data indicated in article 1, paragraph 4, of this Ordinance and suggesting its approval.
Paragraph 5. In the case of article 2, subsection II, one applies the provisions of this article to the Bureau of Petroleum, Natural Gas, and Biofuels of the Ministry of Mines and Energy, where applicable.		
Article 4. The project shall be considered classified into the REIDI upon publication of an Ordinance of the Ministry of Mines and Energy, which shall state:  I - the business name and CNPJ registration number of the legal entity that is the owner of the approved project;	Article 4. The project shall be considered approved to request registration with the REIDI upon publication, in the Official Gazette of the Federal Government, of a specific MME Ordinance, which must state:  I - the business name and CNPJ registration number of the legal entity that is the owner of the approved project, which may request registration for the REIDI; and	Article 3. The project shall be considered approved to request qualification with the REIDI upon publication, in the Official Federal Gazette, of a specific MME Ordinance, in which the following shall be stated:  I - the business name and CNPJ registration number of the legal entity that is the owner of the approved project, which may request registration for the REIDI; and
II - the description of the project, specifying the category of the classification pursuant to article 1, paragraph 1;	II - a description of the project, specifying the sector in which it fits, as defined in the head	II - a description of the project, specifying the sector in which it fits, as defined in the head



III - the estimates of the investments and the suspension of taxes resulting from the Reidi, of the exclusive responsibility of the legal entity owning the project; and  IV - the provision for the start and end date of implementation of the project.	paragraph of article 5 of Decree No. 6,144, of 2007.  III - if the documents provided for in article 1, paragraph 5, of this Ordinance have been submitted.  (Revoked by MME Ordinance No. 127, of February 23, 2011)  Article 2, paragraph 1. Because they are pipelines without contracts regulated by the Public Power, the approval of the projects referred to in subsections I and II of the head paragraph of this article depends only on the request of the interested party and the adequacy of the documentation required in the manner set forth in this Ordinance.	paragraph of article 5 of Decree No. 6,144, of 2007.  III - if the documents provided for in article 1, paragraph 5, of this Ordinance.  (Revoked by MME Ordinance No. 127, of February 23, 2011)  Article 3, Sole paragraph. As these are projects without contracts regulated by the Public Power, their approval depends only on the request of the interested party and the adequacy of the documentation required in the manner set forth in this Ordinance.
Paragraph 1. The technical changes or changes in ownership of projects approved under this Ordinance shall not give rise to the publication of a new Ordinance of approval, provided that such changes have been authorized by the ANP or the Ministry of Mines and Energy and do not imply disqualification of the venture.		
Paragraph 2. In the case of projects in the category of article 1, paragraph 1, subsection IV, one applies the provisions of paragraph 1, provided that the changes have been authorized by the competent state body, and the owner of the project must forward to the Ministry of Mines and Energy a copy of the authorization documentation.		
Paragraph 3. After publication of the Ordinance referred to in the head paragraph, the qualification of the legal entity owning the project		

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shall be requested of the Brazilian Internal Revenue Service, pursuant to article 7 of Decree No. 6,144, of 2007.	
Paragraph 4. The benefits of the REIDI may be enjoyed in the period and under the conditions established in article 3 of Decree No. 6,144, of 2007.	
Article 5. The Ordinance that approves the classification of the project into the REIDI, pursuant to this Ordinance, shall be rendered ineffective and the project considered not implemented in the event of extinguishment of the granting of authorization or concession, pursuant to article 2, paragraph 1, subsection II, letter "b".	
Article 6. The project owner shall forward to the Ministry of Mines and Energy and to the Brazilian Internal Revenue Service a copy of the Operation Authorization or equivalent document issued by the ANP or by the state regulatory agency, as the case may be, within thirty days of its issuance.	
Article 7. The provisions of this Ordinance apply to the projects for which classification into the REIDI was requested, based on Ordinances No. 404/GM/MME, of October 20, 2009, and No. 406/GM/MME, of October 20, 2009, and which were not approved by the date of publication of this Act, subject to the following:	
I - for the projects provided for in the head paragraph, which fall under the terms of this Ordinance, the legal entity owning the project shall resubmit the respective application in accordance with the provisions of articles 1 and 2, within a period of up to sixty days as of the	



publication of this Ordinance, for the purpose of complementing the analysis and instruction of the Case as provided for in article 3, under penalty of the Case being closed; and  II - requests related to the projects mentioned in the head paragraph that do not fit within the terms of this Ordinance shall be rejected and the respective Cases shelved.		
Article 8. After the approval or rejection of the applications for classification into the REIDI, the respective Cases shall be returned to the ANP.		
Sole paragraph. In the case of pipelines classified under article 1, paragraph 1, subsection IV, the respective Cases shall be completed at the Ministry of Mines and Energy.		
Article 9. The ANP, within the scope of its powers, shall verify and certify the completion and start of operation of the venture, for the projects classified in article 1, paragraph 1, subsections I to III, V and VI, and in conformity with the documents presented at the time of authorization of construction or with their modifications previously approved by it.		
Article 10. The ANP shall inform the Ministry of Mines and Energy and the Federal Revenue Service of Brazil of the occurrence of situations that evidence non-implementation of the project classified in the manner set forth in an Ordinance.		
Article 11. After publication in the Official Gazette of the Federal Government, the Ordinances regarding classification of projects into REIDI shall be available on the website of the Ministry of Mines and Energy.	Article 5. The records of the analysis process of the project shall be filed and available at the ANP for consultation by whomever is so entitled, as well as for inspection by the MME and the Control Bodies.	Article 4. The records of the analysis process of the project shall be filed and available at the ANP for consultation by whomever is so entitled, as well as for inspection by the MME and the Control Bodies.



Article 12. The following are repealed:		
I - Ordinance No. 404/GM/MME, of October 20, 2009; and		
I - Ordinance No. 406/GM/MME, of October 20, 2009.		
Article 13. This Ordinance shall enter into force on the date of its publication.	Article 6. This Ordinance shall enter into force on the date of its publication.	Article 5. This Ordinance shall enter into force on the date of its publication.