

# TCU authorized Petrobras to restart the process of disinvestment

Last March, TCU has revoked the injunction that prevented the sale of Petrobras' assets.

In December of 2016, TCU suspended provisionally the sale of assets when they detected signs of irregularities in the methodology used by the government agency for disinvestment of assets and agencies of the Petrobras system, such as, lack of transparency, restriction of participants, granting of unequal opportunities to bidders, among others.

After a precautionary measure, the government agency has adapted the norms to eliminate the risks identified by TCU. Because of that, the Court ruled for the continuity of the plan of disinvestment of the agency.

The sanctions of the Court were based on tying the object to the call notice, to ensure that participants understand the changes promoted on the object during the process, giving equal opportunities of trading to participants whenever the object changes and to enhance competitiveness through new rounds of negotiation.

The new version of the procedure provides, as a rule, to give publicity of the acts and dissemination of information to achieve greater transparency to the process and expansion of the

dispute among investors, besides using an electronic system for the receipt of proposals.

Another important change is the better control of the process, which will require the approval of the Executive Board at the beginning of each relevant step of the transaction.

The Court ruled that the government agency apply to the disinvestment projects the new procedures approved by the Executive Board, restarting all contracts that have not been signed, except for the "Opera" and "Portfolio 1". These may proceed from the stage they were before halted.

Almost all businesses for sale will return to the initial stage, among them, the BR Distribution, considered the main asset. The projection is to raise U\$21 billion in the next two years.

TCU will closely monitor the agency's sales processes and will take action based on the risk analysis methodology in order to identify the most critical processes.

Ruling 442/2017– TCU – Full Court

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