

PETROBRAS - PETROLEO BRASILEIRO SA
Form 6-K
March 23, 2017

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 6-K

**REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934**

For the month of March, 2017

PETRÓLEO BRASILEIRO S.A. – PETROBRAS

(Translation of registrant's name into English)

Avenida República do Chile, 65
20031-912 - Rio de Janeiro, RJ
Federative Republic of Brazil

(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F: Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934: Yes No

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): n/a

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Clarifications on the Libra Pilot Project

Rio de Janeiro, March 23, 2017 - Petróleo Brasileiro S.A. - Petrobras and its partners are committed to implementing the production sharing agreement (PSA) for the Libra area, executed in 2013 and for which Libra Pilot, the first definitive production system, scheduled for late 2020, is an important milestone.

Petrobras and its partners have, since 2015, carried out bids with different levels of local content to gather competitive proposals aligned with international metrics and to assist ANP on discussions about the feasible level of local content for those items that make up the Libra Pilot system project.

According to the contract, ANP has the possibility to ease compliance with local content percentage in the procurement of goods and services if such percentage leads to excessive terms and prices by granting a Waiver, which has already been requested by the consortium.

The consortium estimates that, by comparing the local content level required in the contract against the level it deems feasible, in the case that ANP decides not to grant the Waiver and the project is nevertheless implemented, the contractual fine value for the portion of required local content not met could reach US\$ 630 million.

The consortium is sparing no efforts to facilitate the implementation of the Libra Pilot Project at the highest possible level of local content within competitive deadlines, quality, and prices.

www.petrobras.com.br/ir

Contacts:

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FORWARD-LOOKING STATEMENTS

This press release may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended that are not based on historical facts and are not assurances of future results. No assurance can be given that the transactions described herein will be consummated or as to the ultimate terms of any such transactions. All forward-looking statements are expressly qualified in their entirety by this cautionary statement, and you should not place reliance on any forward-looking statement contained in this press release. Petrobras undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information or future events or for any other reason.

The Company's actual results could differ materially from those expressed or forecast in any forward-looking statements as a result of a variety of assumptions and factors. These factors include, but are not limited to, the following: (i) failure to comply with laws or regulations, including fraudulent activity, corruption, and bribery; (ii) the outcome of ongoing corruption investigations and any new facts or information that may arise in relation to the "Lava Jato Operation"; (iii) the effectiveness of the Company's risk management policies and procedures, including operational risk; and (iv) litigation, such as class actions or proceedings brought by governmental and regulatory agencies. A description of other factors can be found in the

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Company's Annual Report on Form 20-F for the year ended December 31, 2015, and the Company's other filings with the U.S. Securities and Exchange Commission.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

PETRÓLEO BRASILEIRO S.A. – PETROBRAS

Date: March 23, 2017

By: /s/ Ivan de Souza Monteiro

Name: Ivan de Souza Monteiro

Title: Chief Financial Officer and Investor Relations Officer
