

TAKING STOCK



ECOLOGICAL
TRANSFORMATION
PLAN

A NEW ECONOMY. A NEW FUTURE.



MINISTRY OF
FINANCE



STANDING WITH THE BRAZILIAN PEOPLE

A **New Brazil** is rising and flourishing, bringing prosperity to the people across the country.



In just two years, the **Ecological Transformation Plan** has presented the nation with a new economy — one that creates **jobs and opportunities** toward a low-carbon future.

Now, **sustainability, development, and social justice** walk hand in hand to build a **better world**.

Plan Structure

Objectives

Employment and Productivity



Environmental Sustainability



Income Distribution and Social Justice



Axes



1 Sustainable Finance



4 Energy Transition



2 Technological Densification



5 Circular Economy



3 Bioeconomy and Agri-food Systems



6 New Green Infrastructure and Adaptation

Instruments



Financial



Credit Based



Administrative



Regulatory



Fiscal



Monitoring

Brazil on the Rise



Employment at a record high: **3.7 million jobs created since 2023.**



Economic growth above the world average.

Brazil has returned to being one of the world's ten largest economies.



3rd highest industrial growth in the last 15 years.



The highest per capita income in Brazil's history.

Source: IBGE

Inequalities on the Decline

The lowest poverty and extreme poverty rates in Brazil's history.

8.7 million people were lifted out of poverty and 3.1 million out of extreme poverty. Ensuring a dignified life for all.



Brazil was removed from the FAO/UN Hunger Map in just 2 years of the new government.



The lowest inequality rate ever recorded in the country.



Deforestation in the Amazon has been reduced by nearly half in just two years. **The lowest level in a decade.**

Brazil, Environmental Powerhouse



Renewable
Electric
Matrix

88% Brazil
x **29%** World ¹



Renewable
Energy
Matrix

50% Brazil
x **15%** World ¹



Biodiversity

20%
of the planet's
biodiversity ²



Renewable
Potential

Among the best
solar and wind
conditions in the
world ³

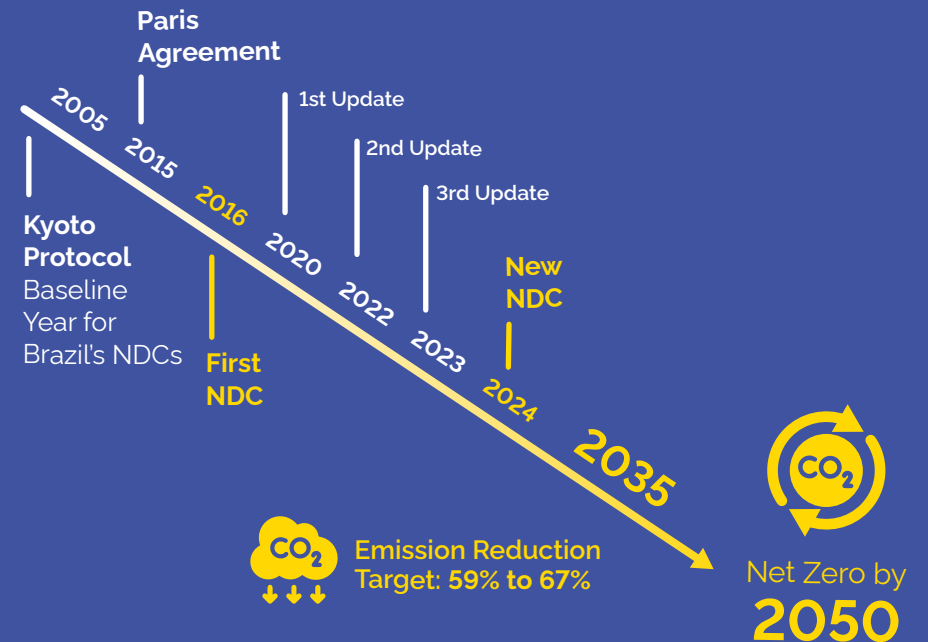
1. Energy Research Company
2. Ministry of Environment and Climate Change
3. Global Wind Atlas, Global Solar Atlas

The World Needs More **WE CAN DO MORE!**

At COP 29, Brazil **advanced its decarbonization targets** through its Nationally Determined Contributions (NDC), committing to achieve net-zero greenhouse gas emissions by 2050.

By 2035, the country has committed to **reducing economy-wide emissions by between 59% and 67%**, with a more ambitious **CLIMATE PLAN** and the New Brazil initiative with its means of implementation.

Thus, Brazil positions itself at the forefront, proving that development, social prosperity, and sustainability can move forward together.

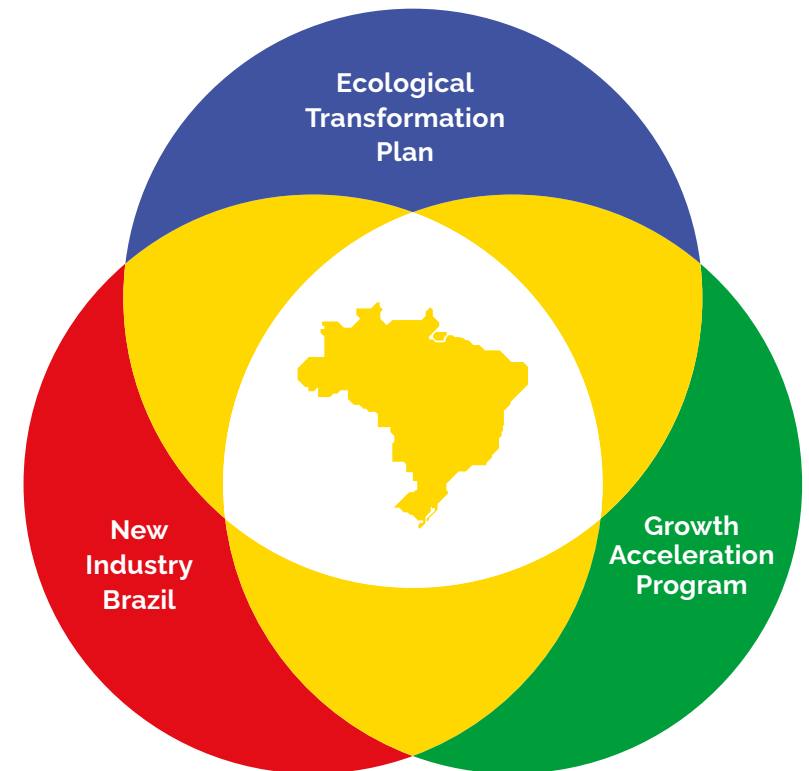




The Economy Moving toward Sustainability

The Brazilian government is doing its part: **investing** billions and **leading an institutional revolution** to build a **new low-carbon economy**.

The Ministry of Finance is creating new financial instruments and expanding resources to position the country at the forefront of the Ecological Transformation.



The Ministry of Development, Industry, Trade, and Services leads the sustainable reindustrialization — in both rural and urban areas — generating high-quality jobs with low environmental impact.

The Presidential Executive Office coordinates sustainable projects and investments — from clean energy and green infrastructure to more resilient cities.

COP30 BRASIL AMAZÔNIA BELÉM 2025

The COP of Implementation

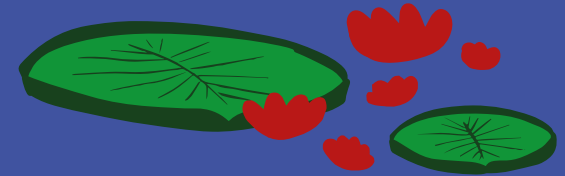
In an increasingly complex world, reaching broad consensus among all nations has become ever more challenging.

That is why Brazil is betting on an **Action Agenda** — a set of **Innovative and Fast-Track Solutions** that can already be implemented. This approach allows those countries ready to move faster on the decarbonization agenda to do so without obstacles — while keeping the doors open for others to join along the way.



The Ministry of Finance proposes a Priority Agenda, which includes:

- Tropical Forests Forever Facility.
- Open Coalition for Regulated Carbon Markets.
- Super Taxonomy for Sustainable Finance.
- Circle of Finance Ministers.

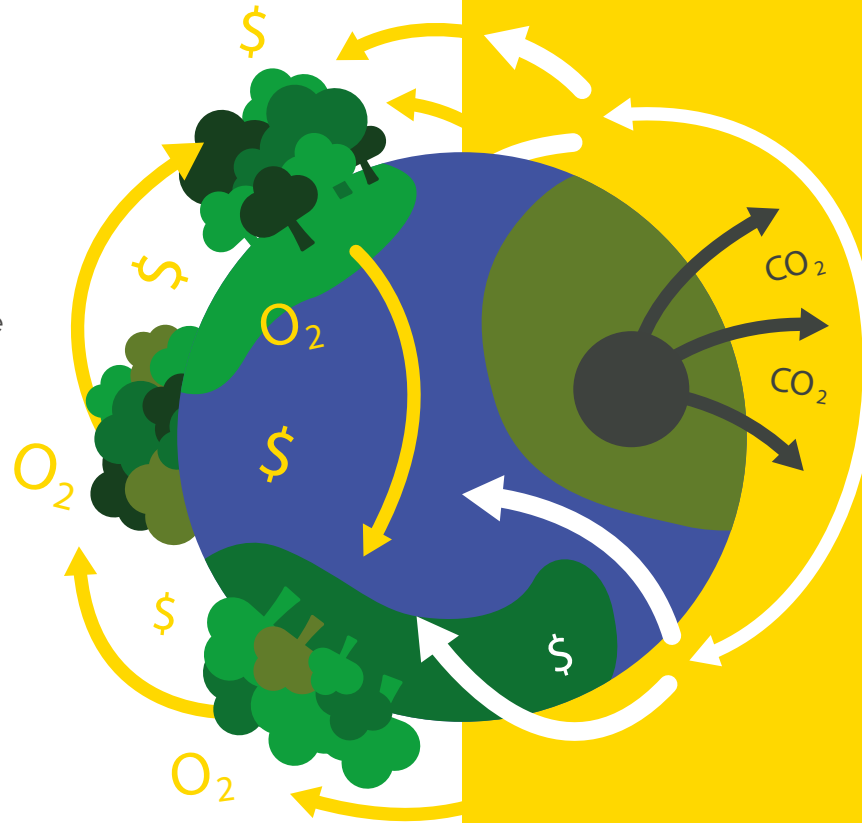


Forests Forever

Tropical Forests Forever Facility (TFFF) — a global fund unlike anything seen before.

Instead of counting on donations, it relies on **INVESTMENT**, generating profit for those who allocate resources to the planet's future protection. A surplus portion of these profits is directed toward **payments for environmental services for forests**.

- Each tropical forest country receives funds according to the number of **hectares conserved**.
- 20% of the resources are allocated **to Indigenous Peoples and traditional peoples and communities**.



Open Coalition for Regulated Carbon Markets

Brazil presents an innovative proposal: an open alliance for all countries that have, or are in the process of implementing, carbon markets.

- Establishes **common standards** and promotes the trading of high-integrity carbon credits.
- Builds **trust among countries** and drives a **just transition**.
- Creates economic and strategic advantages for countries that advance in **decarbonizing their economies**.
- Unlocks a fundamental step toward **global decarbonization**.



Super Taxonomy

Global Overview

There are already more than **60 national or regional taxonomies implemented or nearing completion**. Differences in parameters and methodologies among them hinder comparison and equivalence across countries, reducing the mobilization of resources.

A Step Forward

The proposal is to align sustainable taxonomies worldwide, ensuring their interoperability to enable

- Greater circulation and flow of **sustainable investments**.
- Progress in the recognition of **adaptation and resilience strategies**.
- Strengthening of **social objectives**.
- Promotion of **low-carbon** goods and services.



The Circle of Finance Ministers at COP 30

NEW BRAZIL has developed innovative financial instruments that attract more investment toward ecological transformation.

The **Baku–Belém Roadmap**, targeting **US\$ 1.3 trillion in climate finance**, includes:

- Reform of **Multilateral Development Banks (MDBs)**;
- **Expansion** of funds and concessional financing with **better rates** for developing countries;
- Mobilization of **private capital**;
- Strengthening of **regulatory frameworks**.

Climate Finance in Brazil

Contributions of the Ecological Transformation Plan

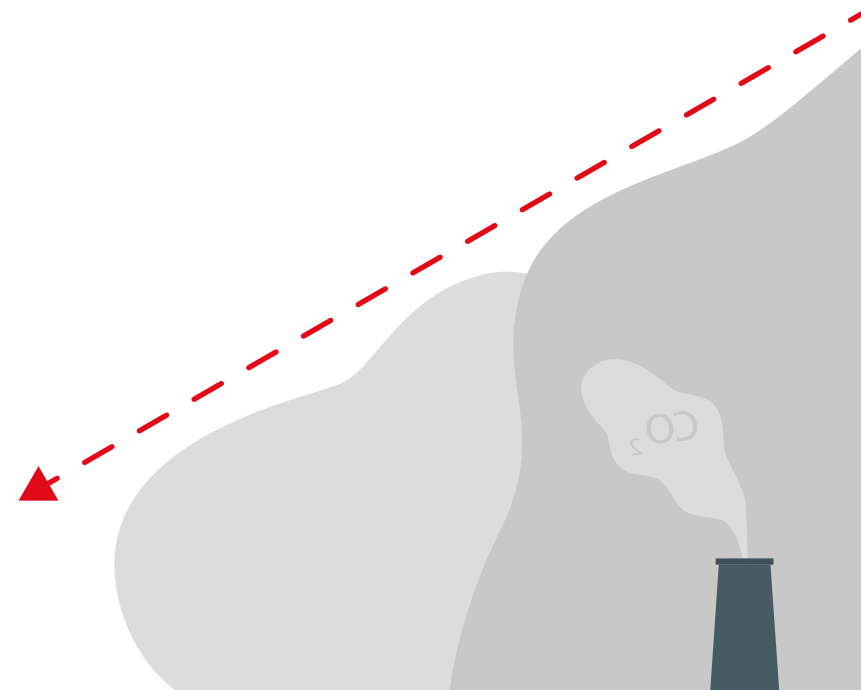


New Carbon Market Law Approved in Brazil

Emission caps and carbon credit trading on the path to net zero by 2050

A milestone for Brazil's green economy.

- Establishes the **Brazilian Emissions Trading System (SBCE)**.
- Defines **sectoral emission limits**.
- Allows for **trading of qualified carbon credits**.
- Serves as a **core instrument** of Brazil's new **Nationally Determined Contribution (NDC)**.



Brazilian Sustainable Taxonomy

Clear and common standards for Sustainable Economic Activities

The Taxonomy is in the early stages of implementation in Brazil and will accelerate the advancement of sustainable finance in the coming years.

Taxonomy is important, because it

- **Guides** investors and companies in choosing truly sustainable investments, combating greenwashing.
- **Redirects capital flows** toward key sectors in the fight against the climate crisis.
- **Integrates the climate agenda** with social objectives aimed at reducing inequalities.
- **Helps Brazil** meet its greenhouse gas emission reduction targets.
- **Aligns public and private investments** with the national plans and commitments of the Ecological Transformation Plan.
- Facilitates **dialogue** with **international taxonomies**



Eco Invest Brazil

The Ecological Transformation is the new vector of Brazil's economic development. Here, projects prosper and multiply. To make this possible, we created a tool to attract private capital — both national and international — unlocking climate finance:

- Resource mobilization with exchange rate volatility protection (FOREX Hedge);
- Reduced interest rates for green loans;
- Blended finance: catalytic public capital combined with private investment;
- National and international capital working together.

Open auctions, with more on the way

- **R\$ 45 billion** in investments mobilized across sectors such as biofuels, forest products, low-carbon industry, sustainable agriculture, resilient buildings, carbon capture, and more.
- **R\$ 30 billion** for the recovery of degraded lands and pastures — 1.4 million hectares may be restored.
- **FOREX Hedge:** attraction of foreign equity investments for ecological transformation through currency protection mechanisms.



US\$4 billion in Sustainable Sovereign Bonds already issued, with more on the way.



US\$ 2 billion per year allocated to the **Climate Fund**.



Sovereign Bonds & Climate Fund

Projects in **clean transport, sustainable cities, forest restoration and water management, low-carbon industry and technologies.**



Actions are aligned with Brazil's updated **Nationally Determined Contribution (NDC)** for greenhouse gas emission reduction.



Sustainable Neoindustrialization

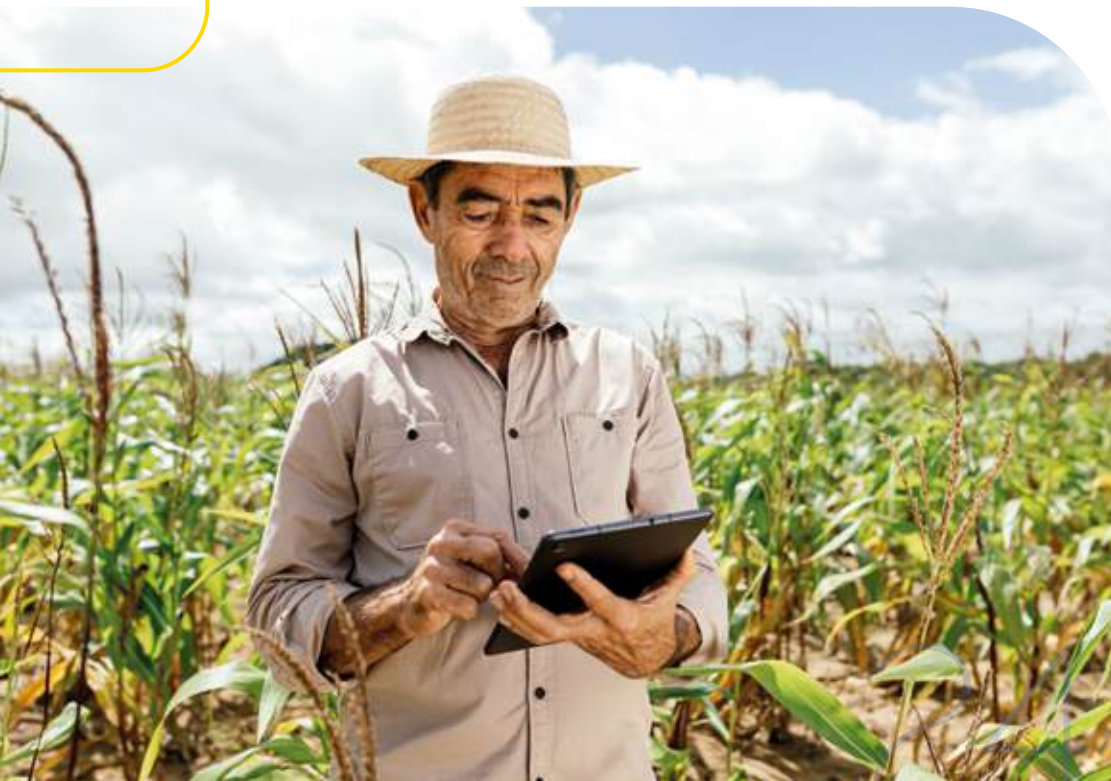
A stronger, more innovative, and sustainable industry. High quality jobs.

- **US\$ 5.5 billion** over two years from the National Fund for Scientific and Technological Development — a record level of support for sustainability innovation.
- **US\$ 3 billion** raised by BNDES through Development Credit Bills for industrial and technological projects.
- **US\$ 1 billion** from the Workers' Support Fund (FAT) for industrial credits and innovation at low interest rates.
- **More than US\$ 20 billion** in new investments are expected under the Green Mobility and Innovation Program (MOVER) for the electrification and decarbonization of the national fleet.

Sustainable, inclusive and productive agriculture

Healthy food for Brazil and the World.

- **Harvest Plan** (Plano SAFRA) with lower interest rates supports ecological transformation, providing financial incentives for best practices.
- No Financing is issued for embargoed areas due to deforestation.
- Approximately **US\$ 15.6 billion** allocated to **Family Farming (PRONAF)** — the highest amount ever dedicated to the sector.



Standing Forest, Thriving Bioeconomy

- **US\$ 200 million** for the restoration of 6 million hectares by 2030, through the BNDES **Arc of Restoration** Program.
- **Forest Concessions:** 5 auctions already held, 500,000 hectares granted since 2023, and another 2 million on the way by 2026 — generating income and jobs for local populations.
- **National Bioeconomy Strategy:** strategic missions involving biomass, bioindustry, sociobioeconomy, and forests. The focus is on the sustainable use of biodiversity, technological innovation, social inclusion, economic competitiveness, and decarbonization.

Energy Transition



Green Hydrogen and Future Fuels.

- **US\$ 23 billion** in private investments mobilized and up to US\$ 3 billion in tax incentives for **low-emission hydrogen**.
- Increasing the ethanol blend in gasoline will **avoid 3 million tons of CO₂ per year**.
- An estimated **US\$ 40 billion** is slated for private investments in renewable diesel, sustainable aviation fuel (SAF), biomethane, biodiesel, and synthetic fuels.
- **US\$ 1 billion** in BNDES and FINEP funding for SAF has attracted around US\$ 29 billion in project proposals.

Strategic Minerals and Rare Earths

Global Priority, Local Development

The government is building a national development strategy for the sector's production chain. Instead of exporting commodities, the focus lies on local production with high added value.

- **US\$ 200 million** has been allocated to the **Strategic Minerals Investment Fund (FIP)** to raise additional capital and foster public-private partnerships for project financing.
- **US\$ 1 billion** in the BNDES + FINEP call for investments in strategic mineral transformation, US\$ 15 billion in total proposals submitted.



Infrastructure, Adaptation, and Risk Management

Resilient Cities Adapted to Climate Change.

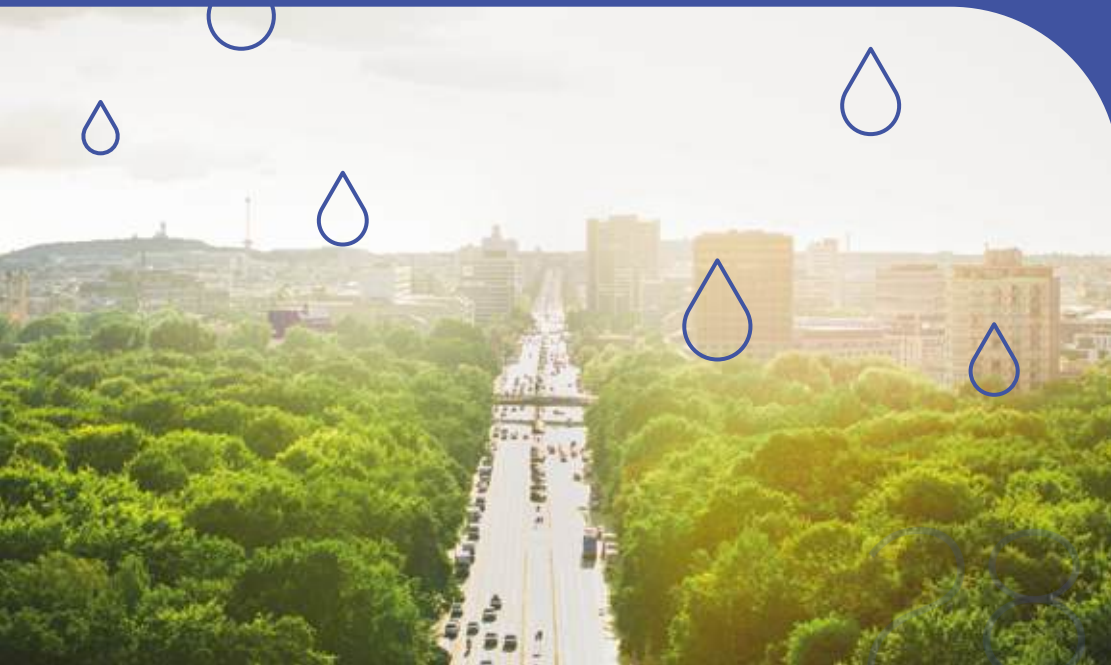
- **US\$ 1 billion** is being invested in slum urbanization through the “Periferia Viva” (Living Periphery) Program under the New PAC.
- New PAC has allocated **US\$ 1.3 billion** for slope stabilization and urban drainage, with a projected total investment of **US\$ 4.3 billion**.
- **US\$ 11 billion** has been committed to urban water supply and sanitation through the New PAC **Water & Sanitation Initiative**.
- **US\$ 360 million** in external financing has been approved through a fast-track process for **green infrastructure projects** in cities between 2023 and 2025.



Incentive for public–private investment in sustainable infrastructure

Private Capital, Public Impact.

- New green bonds more than doubled from **US\$ 13.6 billion (2023)** to **US\$ 27 billion (2024)**, with projections of **US\$ 29.8 billion in 2025**.
- The new legal framework ensures legal certainty and promotes **sustainable activities**.
- The **Investment Portfolio for Ecological Transformation** maps around **US\$ 83 billion** across **2,580 sustainable projects**, attracting national and international investors with transparency and confidence.
- The **Brazil Platform for Climate and Ecological Transformation Investments (BIP)** is designed to attract over **US\$ 22.6 billion** for projects, currently in the fundraising stage.



Tax Reform



After 40 years, Brazil enacts a **New Tax System** — **fairer, greener, and more efficient.**

- **Green Selective Tax** to discourage polluting goods and services harmful to health.
- **Tax credits** for companies purchasing recyclable materials from cooperatives and waste pickers.
- Creation of **Regional Sustainability Funds (Amazonas, Western Amazon states, and Amapá)** and the **National Regional Development Fund**, with sustainability and local content criteria.



From Waste to Circularity: A New Cycle for Development

The launch of the National Circular Economy Strategy marks the transition from a linear to a circular production model

- **Recycling Incentive Law:** Approximately **US\$ 63 million** are destined for projects that reduce waste generation and expand the use of recyclable and recycled materials.
- Public procurement and government practices now include **circularity criteria**.
- Public calls are totaling around **US\$ 19 million** through FINEP Circular Innovation Program and More Innovation in Waste and Sanitation Program.
- BNDES All for Circularity expands **access for cooperatives and waste pickers** to the reverse logistics credit market.
- The Plastic Packaging Reverse Logistics System aims to **collect and recycle 50% of all packaging** in Brazil by 2040.



**Be Part of the
Transformation**

