



CESCON
BARRIEU

BRAZIL INFRASTRUCTURE AT A GLANCE

SEPTEMBER 2026

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BRAZIL'S ENERGY LANDSCAPE

Major figures and market opportunities



Leader in energy generation in the LATAM region



86.8% of Brazil's domestic electricity supply came from renewable sources in 2025



Energy supply is projected to grow by an average of **2.3%** per year through 2035



CENTRALIZED GENERATION EXPANSION UNTIL 2035

- Hydropower plant (UHE): 3,622 MW
- Small hydro (PCH)/CGH: 4,314 MW
- Biomass, biogas, rsu: 4,388 MW
- Solar photovoltaic power (UFV): 8,947 MW
- Wind power plant (EOL): 14,487 MW

BRAZILIAN ENERGY MIX IN 2025

RENEWABLES | 49.5%



Sugarcane biomass
15.8%



Hydropower
10.7%



Wind
3.0%



Firewood and charcoal
8.3%



Other renewables
8.9%



Solar
2.7%

NON-RENEWABLES | 50.5%



Petroleum and oil products
33,7%



Natural gas
10.3%



Coal
4.5%



Uranium
1,3%



Other non-renewable
0.8%

Source: EPE, 2025

BRAZIL'S ENERGY LANDSCAPE

Renewable dominance

In the context of the **energy transition**, renewable sources will continue to expand

Brazil has a **diversified electricity matrix**, rich in renewable sources and complemented by non-renewable ones

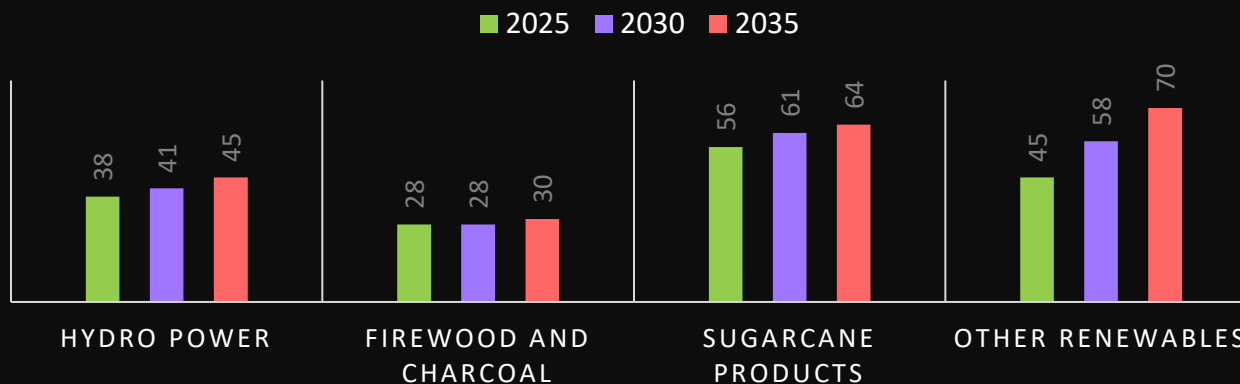
According to the Energy Research Company (EPE, in Portuguese abbreviation), additional power supply will be required starting in 2027, and an increase in energy supply will be needed from 2028 onward

Financing from development banks (e.g., BNDES, BNB), commercial banks, and capital markets, taking into account collateral typical of project finance structures

Distributed generation has an important role in connection with sustainable renewables expansion - losses reduction, diversify the energy mix and promote the renewable sources

- **The world's leader in hydroelectric power generation**, with great opportunities for renewable energy generation
- Total installed generation capacity is projected to increase from **255 GW to 367 GW**, including **centralized generation, distributed generation and other sources**
- World's 7th largest installed **wind energy capacity**
- **Grid bottlenecks & curtailment**
 - a) Restrictions on renewable generation
 - b) Challenges for grid connections of large consumers such as data centers (timing and costs)
 - c) Default risk is low but should be considered

DOMESTIC ENERGY SUPPLY



2035 TEN-YEAR ENERGY EXPANSION PLAN (PDE 2035)

Energy Expansion Plan which indicates the future expansion prospects of the energy sector in Brazil.

By 2035, renewable sources are projected to account for 51% of Brazil's domestic energy supply and more than 85% of national electricity generation.

HYDROPOWER IN BRAZIL

Strategic role in the power system

Hydropower remains the backbone of the Brazilian power system, providing flexibility and reliability to the National Grid (**SIN**).

According to the ONS installed-capacity outlook for 2026–2030:

- Hydropower capacity in 2026: 108,896 MW (43.6% of total installed capacity)
- Hydropower capacity in 2030: 109,308 MW (40.1% of total installed capacity)

Strategic importance:

- Provides system flexibility to balance variable renewable sources (solar and wind);
- Reservoirs function as large-scale energy storage;
- Supports security of supply and system stability;

Hydropower continues to be a key asset for integrating growing renewable generation in Brazil.

→ **Hydropower therefore remains one of the most relevant long-term investment segments in the Brazilian electricity sector.**



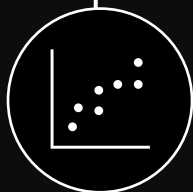
Hydropower plants across Brazil (UHE, PCH and CGH). Source: ANEEL, 2026

Structural Changes (Law 15.269/2025)

- Hydropower concessions may be extended for up to 30 years based on IPP regime;
- Applies to plants larger than 50 MW and granted before 2003;
- Concessionaires will assume hydrological risk

Creates long-term investment visibility in the hydropower sector

HYDROPOWER AUCTIONS AND CAPACITY MECHANISMS



Hydropower projects may participate in Brazil's energy auctions model, which is the main mechanism for expanding generation capacity

2025 A-5 AUCTION:

- 65 projects contracted
- Contracted energy: 384.5 average MW
- Average contracted price: R\$ 392.84/MWh



In addition to traditional energy auctions, hydropower can also participate in Capacity Reserve Auctions (LRCAP).

PURPOSE OF LRCAP:

- ensure security of supply
- contract firm capacity for the power system
- support reliability in a system with increasing renewable generation



REMUNERATION IN HYDROPOWER AUCTIONS

Hydropower projects may be remunerated through different contractual mechanisms depending on the auction model.

ENERGY AUCTIONS:

- Long-term Power Purchase Agreements (PPAs);
- Contracted electricity supply to the regulated market;
- Predictable long-term revenues

CAPACITY RESERVE AUCTIONS (LRCAP):

- Remuneration based on capacity availability, not only energy generation.
- Key characteristics:
 - ✓ Fixed annual revenue
 - ✓ Monthly payments
 - ✓ Inflation indexation
 - ✓ Contracts typically between 10–15 years

This model provides stable and predictable revenue streams for investors.

SELF PRODUCTION IN BRAZIL

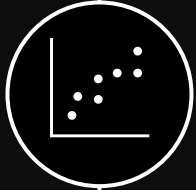
Regulatory Trends

- DEFINITION: a self-producer is any individual or legal entity (alone or in consortium) that generates electricity primarily for own consumption and may sell surplus energy
- EXEMPTION FOR SELF-CONSUMPTION: Self-producers are exempt from sector charges for the portion of energy they consume directly. This exemption can lead to up to 20% cost savings compared to general costs
- COMMON STRUCTURES
 - Simple Self-Production (can include leasing arrangements)
 - Consortium-Based Self-Production
 - Self-Production by Equivalence (equity investment in self-production SPVs)
- KEY ANEEL INTERPRETATIONS CONCERNING SELF-PRODUCTION BY EQUIVALENCE FOLLOWING LAW NO. 15,269/2025
 - Eligibility is based on **voting share capital** (direct or indirect)
 - **Economic groups, controllers and affiliates** may qualify, subject to CCEE review
 - Consumers must have **aggregate contracted demand ≥ 30 MW**, with each unit having **≥ 3 MW**
 - Structures with **non-voting shares carrying enhanced economic rights** are subject to a minimum **30% equity threshold**



TRADING MARKET IN BRAZIL

Structure and regulatory trends



MARKET STRUCTURE & REGULATION

- Energy trading in Brazil operates under a dual market model:
 - Regulated Market (ACR): Energy contracted via public auctions
 - Free Market (ACL): Consumers negotiate directly with generators or traders
- Trading activities include bilateral contracts, short-term market operations, and financial guarantees



IMPACTS OF LAW NO. 15,269 / 2025

- Full market liberalization by 2027, including residential consumers
- End of renewables discounts/benefits for new consumers after Nov 2025 (or expansion of existing consumption)
- Creation of Supplier of Last Resort (SUI) for contract failures



REGULATORY AGENDA (2026–2027)

- Enhanced electricity-market monitoring
- Updated Trading Rules for 2027 and 2028
- New self-production eligibility requirements
- Phase-out of TUSD/TUST discounts
- Retail market opening for Group B consumers
- Standard electricity products and reference pricing
- Stronger short-term market financial guarantees
- Ex-ante and ex-post PLD settlement framework
- New accounting and settlement procedures for generation curtailment

POWER TRANSMISSION IN BRAZIL

Grid expansion

- The growing demand for electricity, driven by investments in Brazil's energy matrix, including the expansion of renewable sources and new technologies such as green hydrogen and data centers' connectivity, demands the continuous expansion of the National Grid to meet these needs

- **The Brazilian Government conducts two to three annual auctions for granting new transmission facilities.**

- **Next transmission auction:** October 30, 2026
- **Estimated investments:** BRL 8.9 billion across 9 lots
- **Scope:** ~1,866 km of transmission lines and 13,144 MVA of additional transformation capacity

- Forecasts investments of BRL 116.9 billion until 2035, with a **main focus on the North–Northeast integration, the strengthening of the Southeast/Central-West corridor, and new reinforcements for the South region**, according to EPE

- **The terms and conditions of the Transmission Auctions have been consolidated over the past decade, offering predictability to the market and attracting foreign investors, especially due to the fixed remuneration of transmission assets**

- The Basic Grid exceeded 181,800 km of transmission the addition of approximately 5,600 km during the year. Continued expansion will be required to meet growing demand and integrate renewables

→ especially relevant for investors interested in long-term regulated infrastructure with a direct link to renewable integration

TRANSMISSION AUCTION REMUNERATION

- Transmission assets in Brazil are remunerated through the **RAP (Receita Anual Permitida)** mechanism

Main characteristics of the remuneration model:

- Fixed annual permitted revenue
- Monthly payments
- Inflation indexation
- Remuneration is not dependent on the volume of electricity transported (only on COD and availability)

Within the auctions, the winner is generally the bidder offering the lowest RAP, which creates a competitive process while preserving long-term revenue predictability.

This model combines:

- **long-term regulatory visibility;**
- **stable and indexed revenue;**
- **low merchant risk relative to other segments of the power sector**

POWER DISTRIBUTION IN BRAZIL

Structure and regulatory trends

Public service/public utilities (natural monopoly)

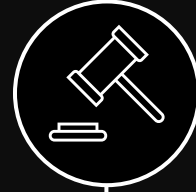


TE: Energy Tariff

TUSD: Use of the Distribution System Tariff

Regulated by ANEEL in terms of:

- Expansion planning, access, operation, metering, and billing;
- Quality indicators for service and energy supply;
- Universal access to electricity;
- Application of the Social Electricity Tariff



REGULATORY AGENDA (2026 – 2027)

2026 PRIORITIES:

- Regulatory enhancements for retail market opening in distribution Grid resilience standards for extreme climate events
- Modernization of metering systems and distribution tariffs
- Integration and controllability of distributed energy resources
- Management of distributed generation surpluses
- Regulatory improvements for electromobility and connection to distribution grids

2027 OUTLOOK:

- Full retail market opening for low-voltage consumers
- Improvement of rules and procedures for public distribution
- Regulation of energy storage in distribution systems
- Valuation of costs and benefits from distributed microgeneration and minigeneration
- Emergency interruption rules to strengthen climate resilience
- Assessment of governance quality in distribution companies

BESS MARKET IN BRAZIL

Regulatory trends



The Brazilian energy storage market has the potential to attract over **BRL 44 billion in investments by 2030**



Around **BRL 14 billion** would be allocated to off-grid solutions in isolated communities, especially in the Amazon region

Another **BRL 14 billion** is expected to be invested in behind-the-meter (BTM) solutions for consumers aiming to reduce costs and participate in demand response programs



Approximately **BRL 16 billion** could be invested in front-of-the-meter (FTM) solutions, mainly through public Capacity Reserve auctions



Synergy with **Data Centers**:

- *Greenshoring* strategy
- 24/7 energy availability
- Cost optimization opportunities include improving Power Usage Effectiveness (PUE): Total facility energy / Energy used by IT equipment

ANEEL has been discussing the regulation of energy storage systems through Public Consultation No. 39/2023. Regulation following the consultation include:

- **Resolution No. 1,161/2026**: addresses the requirements and procedures necessary for obtaining, transferring and changing technical characteristics related to authorizations for BESS operated in a standalone manner
- **Resolution No. 1,162/2026**: introduced amendments to grid access, connection and operational procedures to accommodate BESS, including collocated systems

LAW No. 15,269/2025

Law No. 15,269/2025 modernizes the Brazilian electricity sector, introducing updated rules and incentives concerning energy storage systems:

- Grants ANEEL authority to regulate, supervise, and define remuneration and access rules for BESS;
- Recognizes multiple services provided by BESS, including flexibility, power, ancillary services, and energy trading;
- Allows BESS to qualify under REIDI and requires REIDI-eligible solar projects (including mini and micro DG) to include chemical storage systems; and
- The Federal Government may reduce to zero the Import Tax rates applicable to BESS and their components.

BESS MARKET IN BRAZIL

Storage auctions 2026



MME ORDINANCE NO 136/2026 -
GUIDELINES FOR THE 2026 CAPACITY
RESERVE AUCTION (STORAGE)



PURPOSE OF THE AUCTIONS

- Contract electric power from new battery energy storage systems connected to the National Grid;
- Supply start date: August 1, 2028;
- Contract duration: 15 years



OBJECTIVES

- Ensure the SIN's ability to meet instantaneous demand, especially during peak hours;
- Support the increasing share of non-dispatchable renewable sources, such as solar and wind;
- Enable the provision of ancillary services, improving:
 - Operational flexibility
 - Locational flexibility
 - System reliability

TECHNICAL REQUIREMENTS

- Minimum power capacity of 30 MW;
- Continuous operation duration of 4 hours;
- Minimum round-trip efficiency of 85%;
- Maximum recharge time of 6 hours; and
- Systems must also support up to two full cycles per day (charge and discharge), with an annual limit of 365 cycles (366 in leap years), and must have a Unit Variable Cost equal to zero.



AUCTIONS DETAILS

- Two separate auctions scheduled for December 2 and December 4, 2026: National-content auction for BESS meeting BNDES localization requirements; and General auction open to other eligible battery storage projects;
- Fixed annual revenue paid in 12 monthly installments;
- Centralized dispatch by the National Grid Operator;
- 6,091 projects registered, totaling 296.8 GW of proposed capacity

DATA CENTERS AND THE POWER SECTOR



BRAZILIAN DATA CENTER MARKET – Key Context

Brazil's data center market is at a pivotal moment, driven by surging demand for data processing and storage fueled by artificial intelligence and cloud computing

Due to the need for uninterrupted operations, the reliability of electricity supply is crucial for data center performance and is also a significant cost factor

Opportunities for optimizing energy costs include maximizing the Power Usage Efficiency (PUE), a standard efficiency metric for power consumption in data centers. PUE is the ratio of total facility energy to IT equipment energy used in a data center.



BRAZIL'S COMPETITIVE ADVANTAGES – Attractive hub for data centers

- Predominantly renewable energy matrix;
- Special Economic Zones (ZPEs) offering tax incentives for service exporters; and
- Rapidly expanding domestic market

ENERGY ACQUISITION OPTIONS

- A full supply contract with an energy supplier - Power Purchase Agreements ("PPAs") - or self generation structures (allowing access to certain sector charges exemption);
- Assessment of energy storage solutions, based on sector regulation

GRID ACCESS & EXPANSION

- Recent amendments to the regulation governing the Brazilian energy sector have (i) introduced competitive procedures for connection to the high-voltage grid in situations where no surplus capacity is available, and (ii) imposed on consumers an obligation to provide guarantees, both in order to request access and to execute connection agreements (such obligation was originally applied to power producers);
- The Federal Government organizes 2 to 3 auctions per year, with the purpose of securing the expansion of the transmission facilities required for the increase of renewable projects in the Brazilian mix as well as of large consumers

MINING

Brazilian leadership



According to the National Mining Agency (ANM), production reached BRL 270.8 billion in 2024, registering a **9.1% growth** compared to 2023



An estimated **USD 68.4 billion** in investments is projected by 2029



Brazil possesses the following participation in the world's reserves:

- a) Niobium – 94%
- b) Graphite – 26,5%
- c) Rare Earth – 23%
- d) Iron ore – 17%
- e) Manganese – 16%
- f) Nickel – 12%
- g) Copper – 8%



Minas Gerais concentrates the largest part of the national mineral production

Brazil has great potential to be a significant player in lithium production, accounting for around 4.2% of the global output



Pará hosts some of the largest mineral operations in the world, including the Carajás complex operated by Vale.

S11D Project: has a production capacity of 90.0 million tons of iron ore per yearPlans are in place to increase production capacity to 110.0 million tons per year by 2028



Bahia is expected to attract over USD 9.0 billion in investments by 2029, highlighting its position as one of the country's key mining hubs

MINING

Key critical minerals projects



Lithium:

- Grotta do Cirilo Mine – MG (Sigma Lithium)
- Volta Grande Mine – MG (AMG Brasil)
- Cachoeira Mine – MG (Companhia Brasileira de Lítio)
- Bandeira, Itinga and Salinas Projects – MG (Lithium Ionic)



Graphite:

- Itaperica, Pedra Azul and Salto da Divisa Mines – MG (NGL)
- Matheus Leme Mine – MG (Grafita –MG)
- Maiquinique Mine – MG (Extativa/Grafite do Brasil)
- Boa Sorte Mine – BA (Graphcoa/Appian Capital)



Rare Earths:

- Carina Project – GO (Aclara Resources)
- Pela Ema Mine - AM (Serra Verde)
- Caldera Project – MG (Meteoric Resources)
- Colossus Project – MG (Viridis Mining)



Nickel:

- Santa Rita Mine – BA (Atlantic Nickel/CBPM)
- Onça Puma Mine – PA (Vale Base Metals)
- Codemin and Barro Alto Mines – GO (MMG limited)
- Jaguar Project – PA (Centaurus Metals)



Copper:

- Sossego and Salobo Mines – PA (Vale Base Metals)
- Caraíba Complex - BA (Ero Copper)
- Chapada Mine – GO (Lunding Mining)
- Pedra Branca Mine – PA (BHP Group Limited – Corex)

MINING

A modern and continuously evolving regulatory framework

The sector is based on the Federal Constitution of 1988, on the Mining Code (Decree-Law 227/1967), and on the Mining Code Regulation - RCM (Decree 9406/2018). Within this framework, the National Mining Agency (ANM) serves as the sector's regulatory body, having been established by Law 13,575/2017.

Law 14.514/2022: Improvements to the Mining Code

- ✓ Facilitates the start of mining operations through simplified capital requirements
- ✓ Grants access to credit by allowing more mineral rights to be used as collateral

Decree 10,965/2022: Improvements to the RCM

- ✓ Ensure greater efficiency and legal certainty
- ✓ Accelerate processes without relinquishing environmental protection

Law No. 12.334/2010: National Dam Safety Policy

- ✓ Establishes the National Dam Safety Policy for water storage for any purpose, final or temporary disposal of tailings, and accumulation of industrial waste
- ✓ Creates the National Dam Safety Information System

New Regulatory Agenda 2025–2026: Impacts for Investors



Enhanced predictability and legal certainty
Establishment of clear priorities and timelines for regulatory changes



Incentives for Strategic Minerals
Prioritization of critical and strategic minerals with trend monitoring to develop policies on the subject



Acceleration of project commencement
Simplification of the mineral granting and environmental licensing processes

MINING

Main regulatory framework



ANM Resolution No. 68/21

Provides for the rules regarding the Mine Closure Plan – PFM.



ANM Resolution No. 85/21

Regulates the mining rights availability procedure.



Resolução Resolution No. 90/21

Regulates the RCM, establishing the hypotheses for offering mineral rights as collateral.



ANM Resolution No. 94/22

Governs the classification of mineral reserves, based on internationally accepted standards.



ANM Resolutions No. 95/22 and 220/25

Consolidate the normative acts that provide for mining dam safety.



ANM Resolution No. 119/22

Regulates the issuance of the Kimberley Process Certificate (KPC) for export.



ANM Resolution No. 119/22

Regulates research authorization requests via the REPEM electronic system.



ANM Resolutions No. 122/22 and 223/25

Provide for the procedures for investigating infractions, sanctions, and the applicable fine amounts.



ANM Resolution No. 129/23

Provides for AML/CFT compliance and prevention of mass destruction weapon proliferation.

MINING

A new legal framework for critical and strategic minerals

Bill 2,780/2024 (PNMCE) establishes Brazil's National Policy for Critical and Strategic Minerals and creates the **National Council for the Industrialization of Critical and Strategic Minerals (CIMCE)**, linked to the Presidency. Approved by the Chamber of Deputies in May 2026 and by the Federal Senate in September 2026, the bill now awaits presidential sanction.

Priority products: high-purity concentrates, battery-grade and magnet-grade materials, fertilizers, energy-storage systems.



Critical mineral: supply risk; essential for the energy transition, food and nutritional security, and national sovereignty.



Strategic mineral: significant reserves; trade surplus potential; regional and technological development.

KEY POLICY INSTRUMENTS

FGAM

Mining Activity Guarantee Fund

Private fund backed by a BRL 2 billion federal contribution to reduce exploration and mining risks and unlock financing.

PFMCE

Federal Beneficiation & Transformation Program

Tax credit of up to BRL 5 billion (2030-2034), capped at 20% of project expenditures and subject to a competitive process and long-term offtake agreements.

CMBC

Low-Carbon Mineral Certificate

Certifies the emissions intensity of production, enabling access to premium markets and sustainable financing.

REIDI + Debentures

Incentivized & Infrastructure Bonds

PIS/COFINS tax suspension and eligibility for incentivized infrastructure bonds, reducing project capital costs.

MINING

Foreign-investment screening and deal dynamics in critical minerals

NEW CONTROL-SCREENING REGIME (BILL 2,780/2024)

Mandatory homologation by CIMCE + ANM of:

- (I) Change of corporate control (direct/indirect), including reorganizations, of holders of mineral rights over critical/strategic minerals;
- (II) Access to strategic geological data or relevant participation/significant influence by foreign entities;
- (III) International contracts or partnerships affecting economic or geopolitical security
- (IV) Transfer, assignment or encumbrance of Union mineral titles.

Watch-point: post-closing homologation may tension with Art. 176, §3 of the Constitution and Art. 55 of the Mining Code (prior authorization).

GLOBAL POSITION AND STRATEGIC RELEVANCE

MINERAL	GLOBAL POSITION	KEY REGIONS	STRATEGIC RELEVANCE
Niobium	1st reserves (~94%) e production	Araxá (MG), Catalão (GO)	High-strength steel, aerospace, batteries (CBMM; CMOC)
Rare earths	2nd reserves (~23%)	Minaçu (GO), Poços de Caldas (MG)	Permanent magnets for EVs & wind turbines (Serra Verde)
Lithium	6th producer / 8th reserves	Jequitinhonha “Lithium Valley” (MG)	EV batteries (Sigma Lithium, CBL, AMG)
Graphite	2nd reserves (~26%)	Bahia–Minas province	Battery anodes; critical for EV supply chain
Nickel	3rd reserves (~12%)	PA, GO, BA	Stainless steel, batteries (laterite + sulphide deposits)

Sources: PL 2.780/2024, CADE, IBRAM, specialized press

MINING

Opportunities



The Invest Mining Network was created as a coalition between banks, funds, and government agencies to **promote a favorable environment for mining financing in Brazil**



In partnership with companies such as Vale, BNDES has created investment funds to support mining companies called **Private Equity Investment Fund (FIP) for Critical Minerals**, with contributions ranging from BRL 100 million to BRL 250 million



The Ordinance MME No. 120/2025, issued by the Ministry of Mines and Energy (MME), establishes the **Debenture Policy for Strategic Mineral Transformation Projects for the Energy Transition**. This regulation enables the financing of these projects through the issuance of securities with tax benefits, in accordance with Article 2 of Law 12,431/11 (Incentivized Debentures) and Law 14,801/24 (Infrastructure Debentures). It represents a decisive advancement in industrial and mineral policy geared toward the energy transition, by creating a clear regulatory pathway for financing mineral transformation projects through the capital markets.

BRAZIL MINING AUCTIONS CALENDAR, ORGANIZED BY THE NATIONAL MINING AGENCY (ANM)

DATE	TYPE OF AUCTION	DESCRIPTION	STATUS
2nd Half 2026	9th Availability Round	New round offering thousands of areas for research and mining concession	Planned
1st Half 2027	10th Availability Round	Continuation of the availability program	Expected

Sources: Brazilian Mining Institute (IBRAM) and Ministry of Mines and Energy (MME)

MINING

Energy Transition

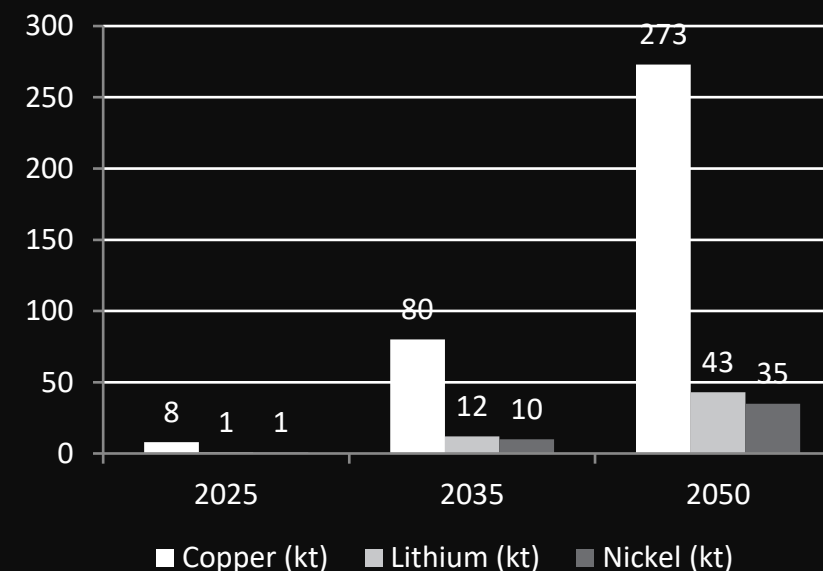


The energy transition and the digitalization of the economy are reshaping global demand for minerals. In this context, Brazil occupies a privileged position. The country combines one of the most diverse mineral resource bases in the world with an electricity matrix that is more than 85% renewable, a combination that underpins the concept of *powershoring*: attracting energy-intensive industries to regions that offer clean, abundant, and low-cost energy.



In Brazil, projections indicate significant growth in demand, particularly from 2035 onwards, as the country accelerates the adoption of low-carbon technologies. Demand for copper, for example, is expected to increase from approximately 8 thousand tonnes in 2025 to 273 thousand tonnes by 2050. Demand for lithium and nickel is projected to rise from around 1 thousand tonnes to 43 thousand tonnes and 35 thousand tonnes, respectively, over the same period.

Demand projection (kt)



MINING

Powershoring

> 90%

of the renewable energy
matrix

~ 50%

lower energy costs than
in other countries

10-20 x

more jobs in refining
than in extraction

UPSTREAM

Extraction
(mining)

MIDSTREAM

Refining and
processing

DOWNSTREAM

Manufacturing

RECOVERY

Recycling and
Urban mining

Powershoring: attracting energy-intensive industries to regions with clean, abundant, and competitively priced energy. Strategic opportunity: to overcome the “commodity trap” by moving beyond extraction into refining and processing (midstream) and manufacturing (downstream).

O&G SCENARIO

OFFICIAL DATA AND REGULATORY MILESTONES

UPSTREAM BID ROUNDS

- ✓ **3rd Permanent Offer PSC Cycle — held 22 Oct 2025**
BRL 103.7 million in signature bonuses; 5 pre-salt blocks awarded in the Santos and Campos basins
- ✓ **5th Permanent Offer Concession Cycle — held 17 Jun 2025**
BRL 989.3 million in signature bonuses; 34 blocks awarded in Parecis, Foz do Amazonas, Santos and Pelotas basins
- **4th Permanent Offer PSC Cycle**
Public bidding session on 7 October 2026: 13 pre-salt blocks in the Campos and Santos basins
- **6th Permanent Offer Concession Cycle**
 - Public bidding session on 7 October 2026: 313 exploratory blocks and 5 areas with marginal accumulations in Campos, Santos, Ceará, Espírito Santo, Parnaíba, Potiguar, Recôncavo, Tacutu e Tucano basins

PETROBRAS BUSINESS PLAN 2026–2030

USD 69.2 billion
in E&P projects

USD 7.1 billion
for exploration

[See Upstream Contracts deck >>>](#)

FPSOS PETROBRAS' INVESTMENT PLAN

Project schedule disclosed in Petrobras Business Plan 2026–2030

2026	• Búzios 8 (P-79): 180 Mbpd (operating)
2027	• Búzios 9 (P-80): 225 Mbpd • Búzios 10 (P-82): 225 Mbpd • Búzios 11 (P-83): 225 Mbpd
2028	• Raia: 126 Mbpd (Non-operated by Petrobras)
2029	• Atapu 2 (P-84): 225 Mbpd
2030	• Revit Albacora · SEAP 2 • Sépia 2 (P-85): 225 Mbpd
2031 +	• Búzios 12 • SEAP 1 • Revit Tupi • Revit BR/CRT • Revit MLS/MLL · Mero Extension

O & G SCENARIO

EQUATORIAL MARGIN: BRAZIL'S NEW EXPLORATION FRONTIER

Recent auction results, new geological evidence and a growing acreage pipeline are supporting a new offshore exploration cycle

5 BASINS

Foz do Amazonas, Pará-Maranhão, Barreirinhas, Ceará and Potiguar

THE 2025 AUCTION (5th Permanent Offer Concession Cycle):

19 blocks awarded in the Foz do Amazonas basin

BRL 844 MILLION
in signature bonuses

~BRL1 BILLION
in minimum exploration commitments

Morpho: a new exploration catalyst

In August 2026, Petrobras identified hydrocarbons in the Morpho well, in block FZA-M-59, approximately 175 km offshore Amapá, at a water depth of 2,886 m

Drilling and appraisal remain underway, and no recoverable volumes or declaration of commerciality have been announced

A successful appraisal could increase interest in future acreage and support demand for drilling, subsea, vessel, port and logistics services

Next bidding rounds:

The 6th Permanent Offer Concession Cycle, scheduled for 7 October 2026, will include 22 exploratory sectors, including SCE-AP2 and SCE-AP3 in the Ceará Basin, part of the Equatorial Margin

Looking beyond the October auction, ANP has identified 86 additional Equatorial Margin blocks for potential inclusion in future concession cycles: 36 in Foz do Amazonas, 25 in Pará-Maranhão and 25 in Barreirinhas. Their inclusion remains subject to environmental review, a joint MME–MMA statement and a public hearing

[See Equatorial Margin deck >>>](#)

O&G SCENARIO

OFFICIAL PLANS AND COMMERCIALIZATION DATA

TRADING

- **PPSA NG Auction**

CNPE Resolution No. 15/2026 reinforces auctions as the preferred mechanism for direct oil and gas sales. The first processed gas auction is expected to October 2026

- **PPSA Oil Auction**

The 8th Spot Oil Auction sold four lots totaling 4.9 million barrels in August 2026, with unsold lots to be reoffered.

- **Petrobras Gas & Low-Carbon Portfolio**

US\$4 billion allocated to the Implementation Target Portfolio; natural-gas projects aim to increase domestic gas supply

SUPPLY CHAIN

- **Exploration & Production**

Petrobras' Business Plan 2026–2030 allocates USD 69.2 billion to E&P projects in the Implementation Target Portfolio

- **Decommissioning**

Petrobras forecasts USD9.7 billion in decommissioning expenditure over 2026–2030. The plan also includes 20 coastal vessels, 18 barges and the chartering of 40 new offshore support vessels

O & G SCENARIO

NG PRODUCTION AND INFRASTRUCTURE

SERGIPE DEEPWATER (SEAP) INFRASTRUCTURE

- Investments exceeding BRL 60 billion
- Expected 2 FPSOs; > 1 billion boe combined (SEAP I & II); and 22 million m³/day of gas-processing capacity
- Tender planned: ~134 km production-gas pipeline, up to 18 million m³/day;

RAIA PROJECT

- Pre-salt Campos Basin; discoveries: Pão de Açúcar, Gávea and Seat
- > 1 billion boe; FID ~US\$ 9 billion
- FPSO Raia: 126,000 bpd + 16 milion m³/day
- 200 km offshore pipeline to Cabiunas (Macaé, RJ)
- Oil and condensate production will be exported through shuttle tankers.

NEW PIPELINE PROJECT

TAG's proposed **Veredas Project** comprises an approximately 700 km pipeline between Pernambuco and Ceará. The project was presented to EPE and remains at the conceptual stage.

GAS-FIRED POWER – LRCAP MAR 2026

The March 2026 energy capacity auction contracted approximately 15.2 GW across 90 natural-gas-fired projects, including both existing and new plants, creating a significant pipeline of project financing, construction, gas supply and related infrastructure opportunities. Contracts for new projects can extend for 15 years.

O & G SCENARIO

M & A / DIVESTMENT OPPORTUNITIES

M&A SPOTLIGHT: ORIGEM ENERGIA

Prisma Capital has engaged Bradesco BBI as financial adviser to evaluate strategic alternatives for Origem Energia, potentially involving a change of control or a full divestment.

Origem offers exposure to an integrated natural-gas platform combining:

- Production of approximately **20 kboe/d**
- An integrated gas hub in Alagoas
- Approximately 370 MW of contracted gas-fired capacity scheduled for 2028–2029
- Gas-processing facilities, pipelines and a maritime terminal
- Brazil's first authorized underground natural-gas storage project
- 2025 EBITDA: R\$746.7 million, up 55% year-on-year.

WATCHLIST – NTS and TAG

NTS (Nova Transportadora do Sudeste)

In 2017, Petrobras sold a 90% stake in NTS to the Nova Infraestrutura FIP, managed by a Brookfield affiliate, with Itaúsa as a co-investor. The remaining 10% stake was acquired by the private shareholders in 2021

TAG (Transportadora Associada de Gas)

ENGIE and CDPQ, currently La Caisse, acquired a 90% stake in TAG from Petrobras in 2019 and the remaining 10% in 2020. TAG is currently owned 50% by ENGIE and 50% by La Caisse.

NTS and TAG are Brazil's leading natural gas transmission operators, with networks exceeding 2,000 km and 4,500 km, respectively. Given their ownership structures and investment holding periods, future shareholder rotation could create medium-term M&A opportunities

[See Natural Gas deck >>>](#)

MARITIME FUEL DECARBONIZATION

THE REGULATORY DRIVER: IMO NET-ZERO FRAMEWORK (NZF)

Approved in draft at MEPC 83 (Apr 2025): first-ever global regulation combining mandatory emissions caps + GHG pricing across an entire industry sector

Key features:

- Mandatory GHG fuel intensity (GFI) standard
- GHG pricing mechanism (global carbon price for shipping)
- Applies to ships >5,000 Gross Tonnage
- Target: net-zero by/around 2050

Status: Adoption vote postponed at Oct 2025 extraordinary session; MEPC 84 (May 2026) confirmed NZF as foundation for upcoming negotiations
Implementation initially planned for 2027-2028

BRAZIL – MARINE BIOFUELS HUB

Up to USD 90billion

In investment potential (BCG, Sep 2025)

Up to 170 MtCO₂e annual emissions reduction

Brazil could become the go-to hub for low-carbon marine fuels

Key advantages:

- World's second-largest ethanol producer
- Massive sugarcane/biomass supply
- Strategic port locations on major shipping routes
- It has high technological maturity

MARITIME FUEL DECARBONIZATION

ETHANOL-CAPABLE OFFSHORE SUPPORT VESSELS

PETROBRAS DEMAND PROVIDES THE COMMERCIAL ANCHOR

Petrobras estimates a requirement of 260–300 chartered vessels and plans to charter 40 new offshore support vessels under its 2026–2030 Business Plan. Long-term contracts, Brazilian-flag requirements and local-content commitments are supporting investment in domestic shipyards, propulsion systems and lower-carbon technologies.

THREE ETHANOL PATHWAYS ARE EMERGING

CMM / Enseada – ethanol-ready newbuilds

Six hybrid PSV/OSRVs under 12-year Petrobras charters will be built at Enseada shipyard. Kongsberg designed the vessels for a future ethanol upgrade, estimating up to 70% lower carbon emissions after conversion.

DOF / Navship – ethanol included in the design

Four new RSVs backed by R\$11 billion in Petrobras contracts will combine batteries, electric propulsion and lower-impact fuels. According to DOF, the design specifically provides for ethanol and diesel, with operations expected from 2030.

CBO – retrofit of the existing fleet

CBO, Caterpillar/MaK, Sotreq and HAV Design are converting one large marine engine to operate with diesel and 35%–40% ethanol. Commercial operation is targeted for 2027, with an estimated 15%–20% net CO₂ reduction per converted engine.

BIOMETHANE OUTLOOK

EPE PROJECTIONS AND CNPE REGULATION



37 biomethane units in EPE's
2025–2035 investment
estimate



BRL 5.4 billion in estimated
biomethane investment (2025–2035)



1.5 million Nm³/day of aggregate
capacity in EPE's project estimate



21 authorized facilities with a combined
production capacity of approximately **96**
millions m³/day.



CNPE set the 2026 GHG-reduction
target at 0.5%¹



Conservative 2035 potential: ~35 billion
Nm³/year
based on partial use of mapped residual biomass

¹ EPE figures are projections/estimates, not guarantees of future outcomes.

Sources: EPE, PDE 2035 – Biofuels Supply; CNPE Resolution No. 4/2026, Analysis of Biofuels' Current Outlook (EPE)

LIQUID BIOFUELS OUTLOOK

EPE PROJECTIONS AND OFFICIAL POLICY FRAMEWORK



Brazil is the world's **second-largest ethanol producer** (EPE, 2026)



Total ethanol supply projected to **grow 2.9%** annually, from 37.9 billion litres (2025) → 50.5 billion litres (2035)



EPE estimates **BRL 115 billion** in biofuels investment between 2025 and 2035 (excluding distribution, commercialization and O&M)



Sugarcane bioelectricity capacity reached **12.7 GW**



Corn ethanol is projected to **exceed 30%** of total ethanol supply in 2035.



Official Policy Drivers

Future Fuel Law –
Federal Law No.
14,993/2024

RenovaBio – Federal
Law No. 13,576/2017

Financing Opportunities

Ecoinvest Brasil

Energy Transition
Acceleration Program
(PATEN)

BNDES/Finep Public
Call

Sources: EPE, PDE 2035; Laws Nos. 14,993/2024 and 13,576/2017; INCRA. EPE figures are projections, not guarantees.

BRAZIL'S URBAN MOBILITY SECTOR

Overview



R\$ 8.20 bn

Active Federal Funding
Portfolio (2026)



1,775

Active Projects



1,371

Municipalities



R\$ 21.6 bn

Federal Investments
Since 2021



5,417

Projects Supported

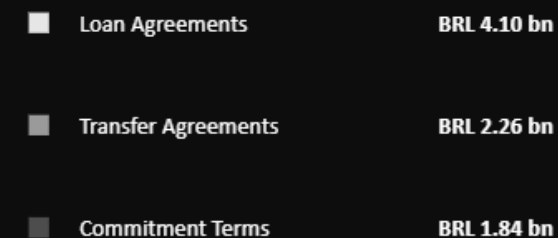
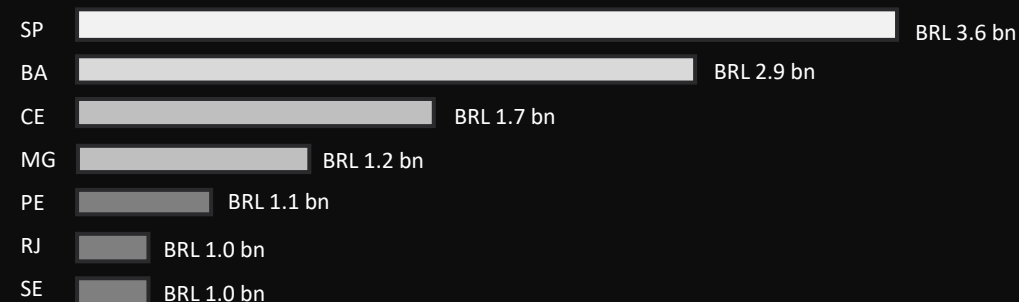


2,790

Municipalities Covered

The BRL 8.2 billion portfolio is primarily driven by Loan Agreements, which represent 50% of total federal funding allocated to urban mobility projects.

FEDERAL URBAN MOBILITY FUNDING BY STATE



Total Federal Funding Portfolio

BRL 8.20 bn

URBAN MOBILITY PROJECT PIPELINE (2026-2027)

Project	State	Mode	Category	Est. Investment (BRL)	Ridership (passengers/day)	Status
São Paulo Mobility Lot 2 (Lines 10 and 14) – ABC Guarulhos	SP	Urban rail transport	Concession or PPP – 30-year term	BRL 19 billion	777,000/day	Project structuring underway. Expected in Q1 2027.
Curitiba Electromobility (BRT Lot 1)	PR	BRT / Electric Buses	Concession – 15-year term	BRL 1.317 billion	427,640/day	Project structuring underway. Expected in Q4 2026.
Curitiba Electromobility (BRT Lot 2)	PR	BRT / Electric Buses	Concession – 15-year term	BRL 1.042 billion	338,145/day	Project structuring underway. Expected in Q4 2026.
Curitiba Electromobility (North Lot)	PR	BRT / Electric Buses	Concession – 15-year term	BRL 475.2 million	106,818/day	Project structuring underway. Expected in Q4 2026.
Curitiba Electromobility (West Lot)	PR	BRT / Electric Buses	Concession – 15-year term	BRL 588.6 million	124,278/day	Project structuring underway. Expected in Q4 2026.
Curitiba Electromobility (South Lot)	PR	BRT / Electric Buses	Concession – 15-year term	BRL 480.1 million	102,119/day	Project structuring underway. Expected in Q4 2026.
Violet Line-16 (São Paulo)	SP	Metro	PPP – 31-year term	BRL 37.5 billion	475,000/day	Project structuring underway. Expected in Q1 2027.
Trensurb Metropolitan Rail System	RS	Rail	Concession or PPP – 30-year term	BRL 1.247 billion	103,000/day	Technical studies underway.
West Axis Intercity Train (TIC West)	SP	Rail	PPP – 30-year term	BRL 11.9 billion	50,000/day	Project structuring underway. Expected in Q1 2027.
South Axis Intercity Train (TIC South)	SP	Rail	Concession or PPP – 30-year term	BRL 15 billion	N/A	Technical studies underway.
East Axis Intercity Train (TIC East)	SP	Rail	Concession or PPP – 30-year term	BRL 10 billion	N/A	Technical studies underway.
Metro Network Expansion Program	SP	Metro	PPP – 30-year term	BRL 90 billion	N/A	Technical studies underway.
Campinas Light Rail Transit (VLT)	SP	VLT	PPP	BRL 4.5 billion	N/A	Technical studies underway.
Sorocaba Light Rail Transit (VLT)	SP	VLT	PPP	BRL 2.5 billion	N/A	Technical studies underway.
CBTU-PE: Recife Metro System	PE	Rail	PPP – 30-year term	BRL 3.5 billion	180,000/day	Awaiting approval from oversight authorities

Source: Compiled by Verum Partners based on data from Portal Mobilidade Brasil (BNDES), BNDES Project Hub, PPI, SPI/SP, Metrô-SP, CPTM, CBTU and Trensurb. Investment Partnerships Program (PPI). Project structuring information, including Curitiba Eletromobility PPP and other urban mobility initiatives. <https://hubdeprojetos.bndes.gov.br/> . São Paulo metropolitan rail projects, including Line 16-Violet and Intercity Train (TIC) initiatives. <https://www.parceriaseminvestimentos.sp.gov.br/> . Accessed on August 21, 2026.

RAILWAYS IN BRAZIL

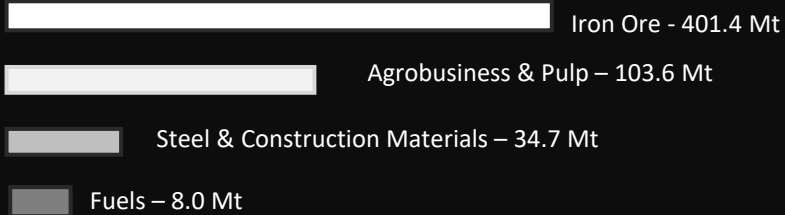
Overview



BRL 140 bn

Federal Railway
Opportunity Pipeline 2026

FREIGHT PROFILE (2025)



555.5 million tons

Freight transported in 2025



52 million tons

Transported to the Port of Santos through
railway logistics in 2025
(integrated logistics)



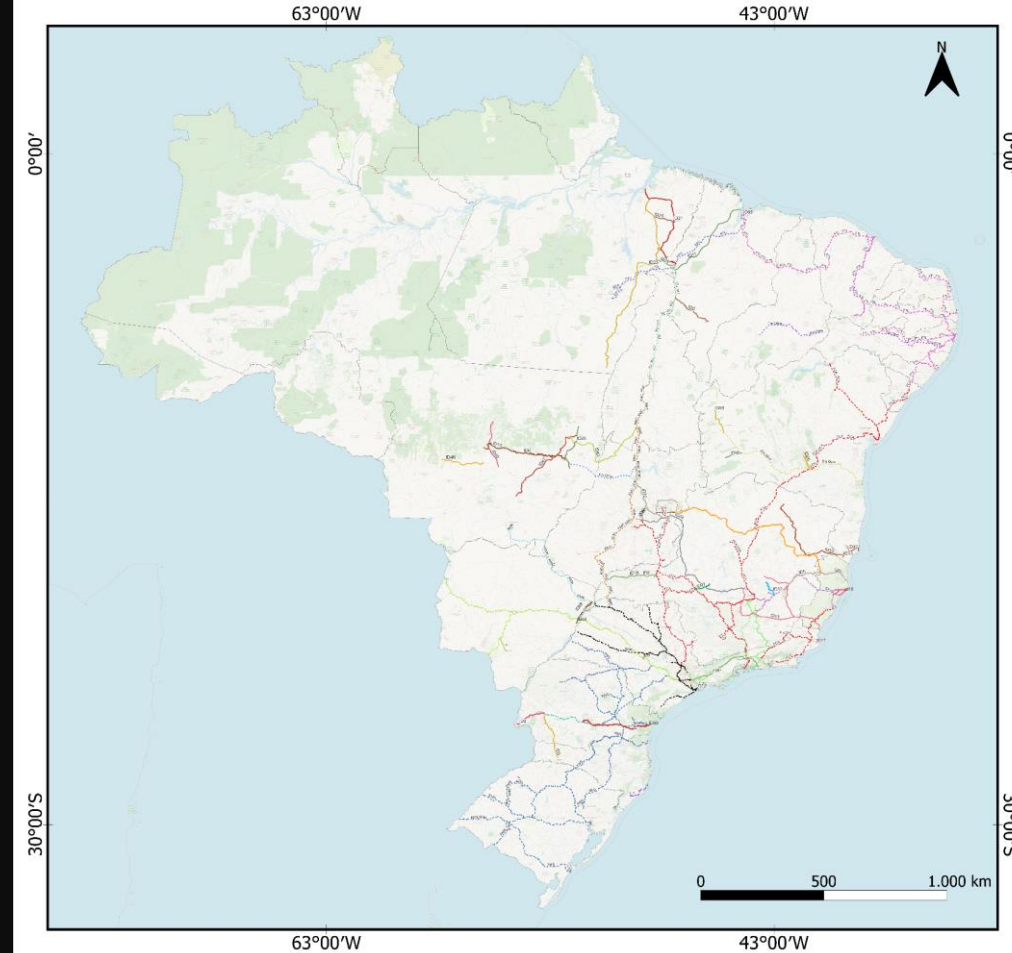
21,000+

Km operational railway
network

- 555.5 million tons transported by rail in 2025, a historic record;
- Federal government plans to auction **8 new railway projects in 2026** with an estimated **R\$140 billion** investment pipeline and **1 new rail project in 2027**;
- **The new Railway Concessions Policy aims to unlock greenfield projects and concession renewals.**

Sources: Investment Partnerships Program (PPI) - Concessions and Authorizations; Ministry of Transport; National Association of Railway Transport Operators (ANTF) Railway Dashboard; ANTT, 2026-2028 Triennial Investment Plan. Accessed between March 9, 2026 and August 26, 2026.

BRAZILIAN RAILWAY NETWORK



Rail Transport Superintendence
Geographic Coordinate System
Datum: SIRGAS 2000

Scale: 1:5,000,000
Authorized Railways (ANTT):
26
Concessioned Railways (ANTT):
19

Legend

Authorized Railways

— IDs

Concessioned Railways

— EFC	— RMN
— EFPO	— RMO
— EFVM	— RMP
— FCA	— RMS
— FTC	— VLI
— FTL	— Em Obra
— MRS	— FICO
— RMC	— FIOL
	— TISA

OPPORTUNITIES IN THE RAILWAY SECTOR

Federal level



RAILWAY NAME	SEGMENT	CAPEX (R\$ bn)	STATUS
East-West Railway Corridor (FIOL + FICO – BA, GO, MT, TO)	New Railway	28.5	Awaiting TCU Approval/ Auction Structuring
Minas-Rio Railway Corridor	New Railway	N/A	Auction expected in December 2026
Ferrogrão (EF-170)	New Railway	33.3	Awaiting TCU Approval
Southeast Railway Ring (EF-118)	New Railway	4.2	Awaiting TCU Approval/ Tender Structuring
North-South Railway (EF-151 – MA, PA)	New Railway	N/A	Studies Contracted/ Technical Studies Underway
Rumo West Network (MS, SP)	Re-bidding	29	Awaiting TCU Approval/Renewal Approval
Rumo South Network (PR-SC, Rio Grande and Mercosur Corridors).	Re-bidding	N/A	Public Consultation/ Studies Preparation
Paraná West Railway (EF-277 - PR)	Privatization	14.5	Public Consultation Completed/ TCU Review

HIGHWAYS IN BRAZIL

Overview



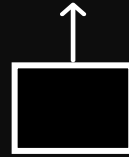
68.5%

Of freight volume moves by road
Latest national modal share
available (2021) · TKU



BRL 161 bn

Federal Highways
Expected to be
Concessioned by 2026



84.3%

Freight Value Share
Share of value transported
by road (VKU)



74,500 km

Federal Highway Network

NEW POLICIES

- Free-flow tolling systems are being introduced as part of Brazil's ongoing highway modernization efforts.
- Recent concession programs have strengthened Brazil's track record in attracting private infrastructure investment.



15,900 km

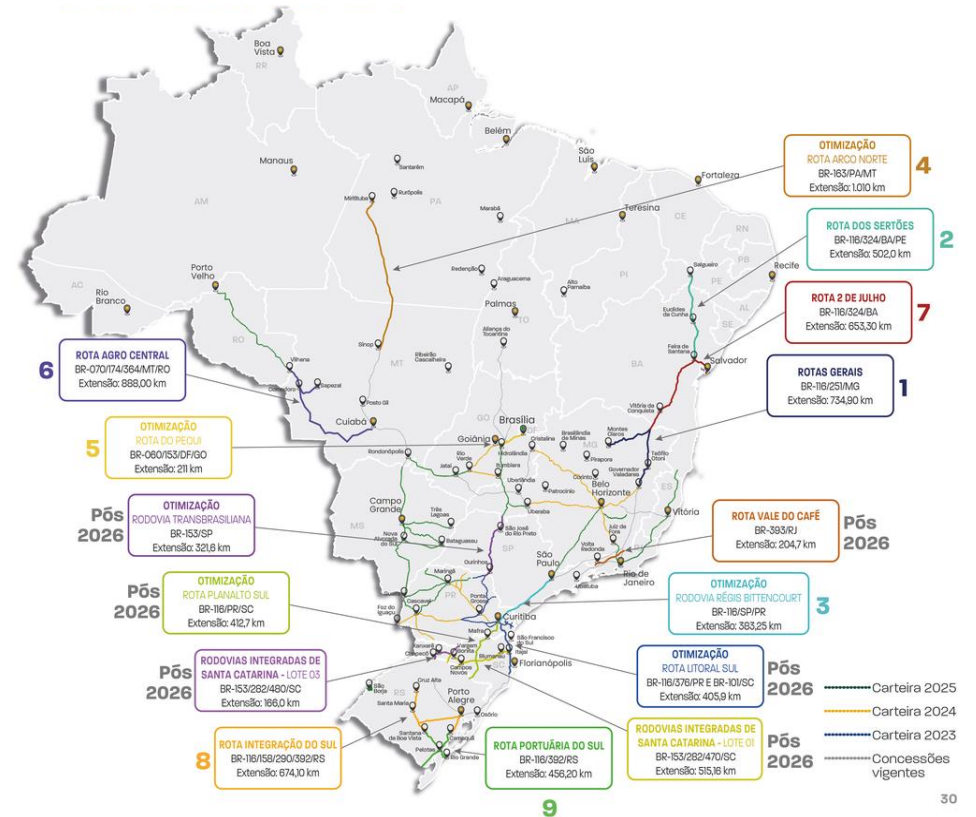
Currently Concessioned Highways
(Federal)



31,152 km

Active Highways Concessions
(Federal & State)

2026 FEDERAL HIGHWAY CONCESSION PORTFOLIO



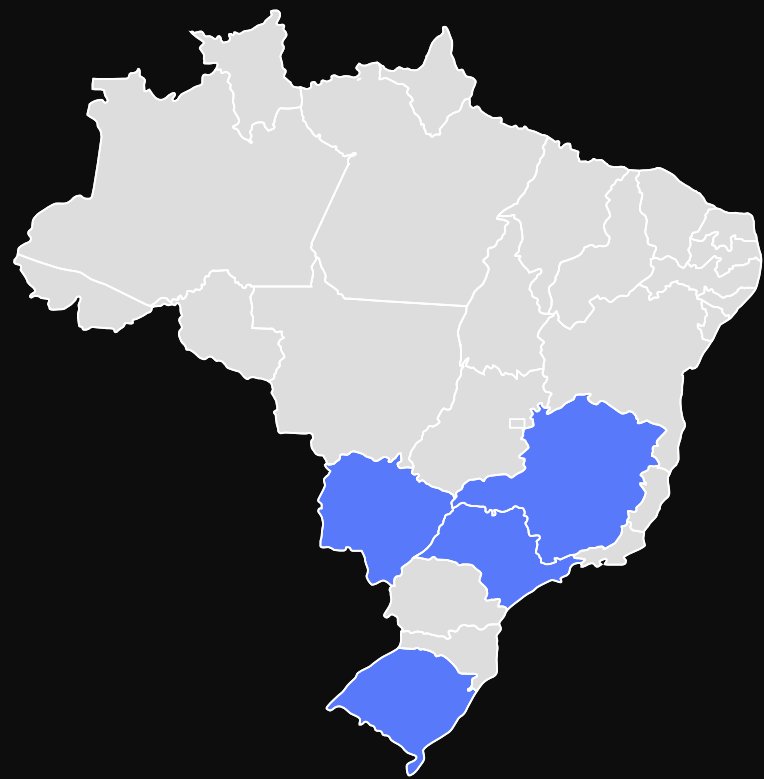
OPPORTUNITIES IN THE HIGHWAY SECTOR

Federal level

HIGHWAY NAME	STATES COVERED	LENGTH (KM)	STATUS
BR-070/174/364/MT/RO – Rota Agro Central	Mato Grosso and Rondônia	887.6	Upcoming Bidding. Auction set for December 2026.
BR-393/RJ – Rota Vale do Café	Minas Gerais and Rio de Janeiro	204,7	Upcoming Bidding. Auction expected in 2027.
BR-163/BR-230/MT/PA – Via Brasil	Mato Grosso and Pará	1.009	Upcoming Bidding. Auction set for November 2026.
BR-060/153/DF/GO – Rota do Pequi	Federal District and Goiás	211.6	Upcoming Bidding. Auction set for December 2026.
BR-116/392/RS – Rota Portuária do Sul	Rio Grande do Sul	456.2	Upcoming Bidding. Auction set for December 2026.
BR-116/SC/PR – Planalto Sul (Optimization)	Santa Catarina and Paraná	412.7	Optimization awaiting TCU approval.
BR-153/SP – Transbrasiliana (Optimization)	São Paulo	321.6	Optimization under federal evaluation (under ANTT analysis).
BR-116/324/BA – Rota 2 de Julho	Bahia	653.3	Bidding expected in November 2026.
BR-153/282/470/SC – Rodovias Integradas de SC – Lot 01	Santa Catarina	515.1	Postponed to 2027. Undergoing post-public consultation adjustments.
BR-153/282/480/SC – Rodovias Integradas de SC – Lot 03	Santa Catarina	166	Studies concluded. Auction rescheduled for September 2027.
BR-116/158/290/392/RS – Rota Integração do Sul	Rio Grande do Sul	674.1	Returned to ANTT for technical remodeling. Auction scheduled for December 2026.

OPPORTUNITIES IN THE HIGHWAY SECTOR

State level



STATE	HIGHWAY NAME	LENGTH (KM)	STATUS
Minas Gerais	Lote 11 – Quadrilátero Ferrífero	500.0	Structuring in progress.
Rio Grande do Sul	Blocos 1	454	Pending approval by TCE-RS. Tender expected in Q12027
Bahia	Anel da Soja	N/A	Studies in progress
São Paulo	Circuito das Águas	533.1	Advanced structuring. Tender schedule pending.

BRAZILIAN WATERWAYS SECTOR

Overview



20,400 km

Economically Navigable
Waterways (2024)



+ 279 km

Network Expansion
(2022-2024)

4

Priority Waterway Corridors
under PNL 2050



81%

Amazon Basin Share of Navigable Waterways



136

Mapped Waterways Corridors under PNL 2050

- Potential integration with South American cross-border logistics corridors;
- One of the world's largest inland waterway systems, comprising approximately 40.000 km of waterways, of which 20.400 km of economically navigable waterways and four identified under PNL 2050.



OPPORTUNITIES IN THE WATERWAY SECTOR

Overview



PROJECT NAME	LOCATION	STRATEGIC RATIONALE	STATUS
Tapajós River Waterway	Pará	Key waterway connecting grain-producing regions to Northern export terminals	Structuring Bidding/ Auction expected in H1 2027
Tocantins River Waterway	Pará/Tocantins	Strategic logistics corridor supporting multimodal connectivity and Northern Arc development	Structuring Bidding/ Auction expected in H1 2027
Paraguay River Waterway	MT/MS	Strategic Mercosur logistics corridor connecting Brazil to Paraguay and Argentina	TCU review underway following completion of studies and public consultation
Madeira River Waterway	Amazonas/Rondônia	Strategic Northern Arc logistics corridor supporting agricultural exports through the Amazon region	Tender structuring underway/ Auction expected in H1 2027
Green Waterway	AM/AP	1,602 km corridor between Manaus and Barra Norte designed to improve navigability and vessel capacity	Studies Underway/ Awaiting TCU approval/ Public Consultation Expected in 2027
Lagoa Mirim Waterway	RS	Cross-border waterway corridor supporting regional logistics and integration with Uruguay	Studies Underway/ Awaiting TCU approval/ Public Consultation Expected in 2027

Sources: National Waterway Transportation Agency (ANTAQ), Waterway Transportation Studies (VEM 2020 and VEM 2024); Ministry of Transport, National Logistics Plan 2050 (PNL 2050). Accessed on August 26, 2026.

PORTS IN BRAZIL

Overview



Brazilian ports handled more than **1.4 billion tons** of cargo in 2025



IRON ORE (425.7 Mt) and OIL & DERIVATIVES (221.7 MT) were the leading cargoes handled by Brazilian ports in 2025.



The Growth Acceleration Program (“PAC”) estimates that more than **BRL 50 billion** will be invested in the port sector by the year of 2030.

64.4%

Private Use Terminals (TUPs) accounted for **64.4%** of Brazil’s port cargo throughput in **3Q2025**.

84.6%

Brazil’s port sector is predominantly bulk-oriented, **with dry and liquid bulk cargoes representing 84.6%** of total throughput in 3Q2025.



Private Use Terminals (TUPs) may be developed under an authorization regime, **without the need for public bidding process**, subject to approval by ANTAQ and compliance with applicable regulatory requirements.



NEW POLICIES

Regulatory reform underway: Bill No. 733/2025 seeks to modernize Brazil’s port sector.

OPPORTUNITIES IN THE PORT SECTOR



PORT NAME	STATE	PROJECT	STATUS
VDC29	PARÁ	LEASE	Feasibility studies under revision by Ministry (MPor)
IQI16	MARANHÃO	LEASE	Tender Published. Bidding Process Open.
MUC04	CEARÁ	LEASE	Tender Preparations. Auction expected in Q4 2026
RDJ06A	RIO DE JANEIRO	LEASE	Review of public consultation contributions
SSZ33E	SÃO PAULO	LEASE	Initial Studies
TECON SANTOS 10	SÃO PAULO	LEASE	Tender Preparation
WATERWAY ACCESS CHANNEL TO THE PORT OF SANTOS	SÃO PAULO	CONCESSION	Public Consultation. Public Hearing (Sep 2026)
PORT OF ITAJAÍ	SANTA CATARINA	CONCESSION	Tender Preparation. Auction expected in 2027
SALVADOR, ARATU-CANDEIAS E ILHÉUS – SSD-A3	BAHIA	CONCESSION	Tender Preparation (Approved by TCU)
ITJ01	SANTA CATARINA	LEASE	Tender Preparation. Auction expected to 2027
SUA01	PERNAMBUCO	LEASE	Tender Preparation (Approved by ANTAQ)

Sources: National Waterway Transportation Agency (ANTAQ), Concession Projects Database; Brazilian Development Bank (BNDES), Infrastructure Projects Hub. Accessed on August 26, 2026

AIRPORTS IN BRAZIL

Overview



59

Concession Airports
Only 11.9% of Public Airports

MARKET CONCENTRATION

Domestic Passenger Traffic



Air Cargo



117.7 M
Passengers
Jan-Jul 2026



880M kg
Air Cargo
Jan-Jul 2026



496
Public Airports
Registered by ANAC



Brazil’s 59 Concessioned Airports Operated by Private Concessions

59 concessioned airports represent only 11.9% of Brazil’s public airport network, yet they handle approximately 89% of domestic passenger traffic and 98% of national air cargo.

Sources: ANAC/Hórus (January-July 2026); ANAC Airport Concessions Database. Accessed on August 26, 2026.

OPPORTUNITIES IN THE AIRPORT SECTOR

Federal level



PROJECT NAME	TYPE	STATUS	KEY HIGHLIGHTS
Brasília International Airport (BSB)	Renegotiation with incorporation of 10 regional airports	Structuring in progress. Tender expected in 2027	Initial contribution estimated at R\$ 557 million ; minimum variable fee of 5.9% of gross revenue ; Infraero to exit shareholding structure; approximately R\$ 1.2 billion in new investments expected.
Santos Dumont Airport (RJ)	New Concession	ANAC studies underway; tender expected in 2027	One of the most strategic aviation assets in Brazil; final structure depends on Federal Government and Ministry of Ports and Airports decisions.
Regional Airport Clusters (Amazon & Northeast)	New Concession	Regional bundles under structuring	Expected inclusion of 15-20 regional airports through cross-subsidy concession models

WATER & SANITATION

Overview



Since the introduction of the New Legal Framework for Water & Sanitation Services, significant investment and private participation have increased across Brazil.

CURRENT MARKET

R\$ 227.5 bn

Contracted investments

2,720

Municipalities served by private operators since 2020.

7x

Increase in municipalities served by private operators since New Legal Framework (2020-2026)

R\$ 46.3 bn/year

Required annual investment to achieve universalization



UNIVERSALIZATION

TARGETS BY 2033

99% 

Of the population with access to **drinking water**

90% 

Of the population with access to **sewage collection and treatment**

IMPORTANT INNOVATIONS:

Projects

New contracts must be executed through a public bidding process and structured either as concession agreements or PPPs

Capacity

Requirement for service providers to demonstrate their economic and financial capacity to carry out the investments necessary to achieve universalization of services

Legal certainty

National Water and Basic Sanitation Agency (ANA); with the authority to issue reference standards to be observed by all service providers

Regional blocks

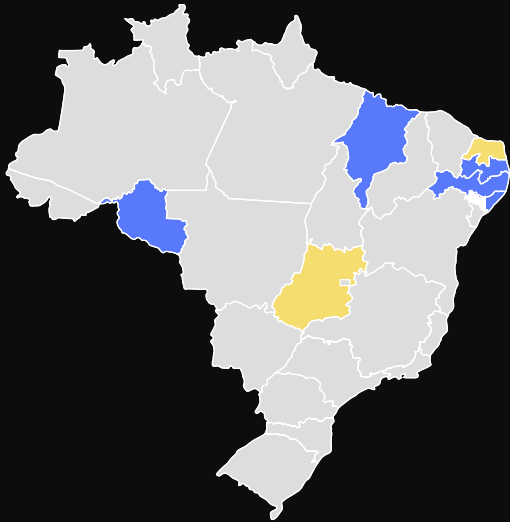
Establishment of regional blocks to secure scale to the service

WATER & SANITATION OPPORTUNITIES

11 opportunities, in 9 different states

To fulfill the universalization goal, the Municipalities and the States have been launching public bids to select operators

TYPE OF CONCESSION	STATE	STATUS
CONCESSION OF WATER & SEWAGE	Rondônia	Tender Notice Published/ Auction set for September 29, 2026
	São Paulo (Universaliza SP)	Public Consultation Completed/ Tender Preparation
	Porto Alegre (RS)	Structuring Studies/Public Consultation Expected
	Alagoas (Block D)	BNDES Structuring Studies in Progress
CONCESSION OF SEWAGE	Rio Grande do Norte	BNDES Structuring Studies in Progress/ Cescon Barrieu legal support
	Espírito Santo (Universaliza ES)	BNDES Structuring Studies in Progress
	Volta Redonda (RJ)	Caixa Structuring Studies in Progress
	São Gonçalo do Amarante (RN)	Caixa Structuring Studies in Progress
PRIVATIZATION/CORPORATE RESTRUCTURING	Alagoas (CASAL)	Restructuring Studies in Progress (BNDES)



TELECOMMUNICATIONS

Overview

+20.4%

Foreign Capital Growth

Attracting International Capital

Brazil has consolidated its position as a primary pole for international tech investment. Total foreign direct investment reached **BRL 39.1 billion (USD 7.44B)** in 2025, significantly outpacing previous growth projections.

According to a recent McKinsey study (February 2026), AI infrastructure represents a **new growth avenue for telecommunications operators**. The accelerated adoption of generative and agentic AI is driving demand not only for centralized computing but also for distributed infrastructure close to end users.

Between 2012 and 2025, **global mobile data traffic grew by more than 50% per year**, while telecommunications services revenues grew by only 1% annually. This dynamic reinforces the need for new business models based on open APIs, network slicing, and monetization by service, rather than just connectivity.

TELECOMMUNICATIONS

Overview

São Paulo has historically concentrated over 40% of national capacity, but 2025-2026 marks the emergence of a more distributed map.

- **Fortaleza** is consolidated as the main submarine cable hub, acting as a connection point between North America, Europe, and Africa. The Firmina cable (Google) and the BRICS Cable project position Ceará on the priority transoceanic route. Today, the city competes with Marseille and Miami as a global landing hub.
- **Porto Alegre, Belém, Recife, and Brasília** are positioning themselves as hubs for distributed workloads, regional AI clusters, and internal traffic. The new generation of terrestrial optical routes enables competitive latency from these points.
- The interior of the state of **São Paulo and Goiás** are attracting projects due to energy availability, cheaper land, and a lower risk of power grid congestion compared to the capital.
- The **Northeast** is emerging as an energy and edge pole, as the combination of abundant wind and solar energy, lower operating costs, and submarine connectivity creates a competitive advantage for large-scale edge computing projects.



TELECOMMUNICATIONS

Brazilian regulatory agenda

Infrastructure sharing



60 million operational poles
10–12 million require repair



58% of telecommunications operators do not
have contracts with energy distributors



Up to USD 3.8 billion will be required for
infrastructure regularization



Pole sharing regulation remains under review by ANATEL and ANEEL,
with discussions focused on governance, occupation regularization,
pricing mechanisms, and the role of neutral pole managers.



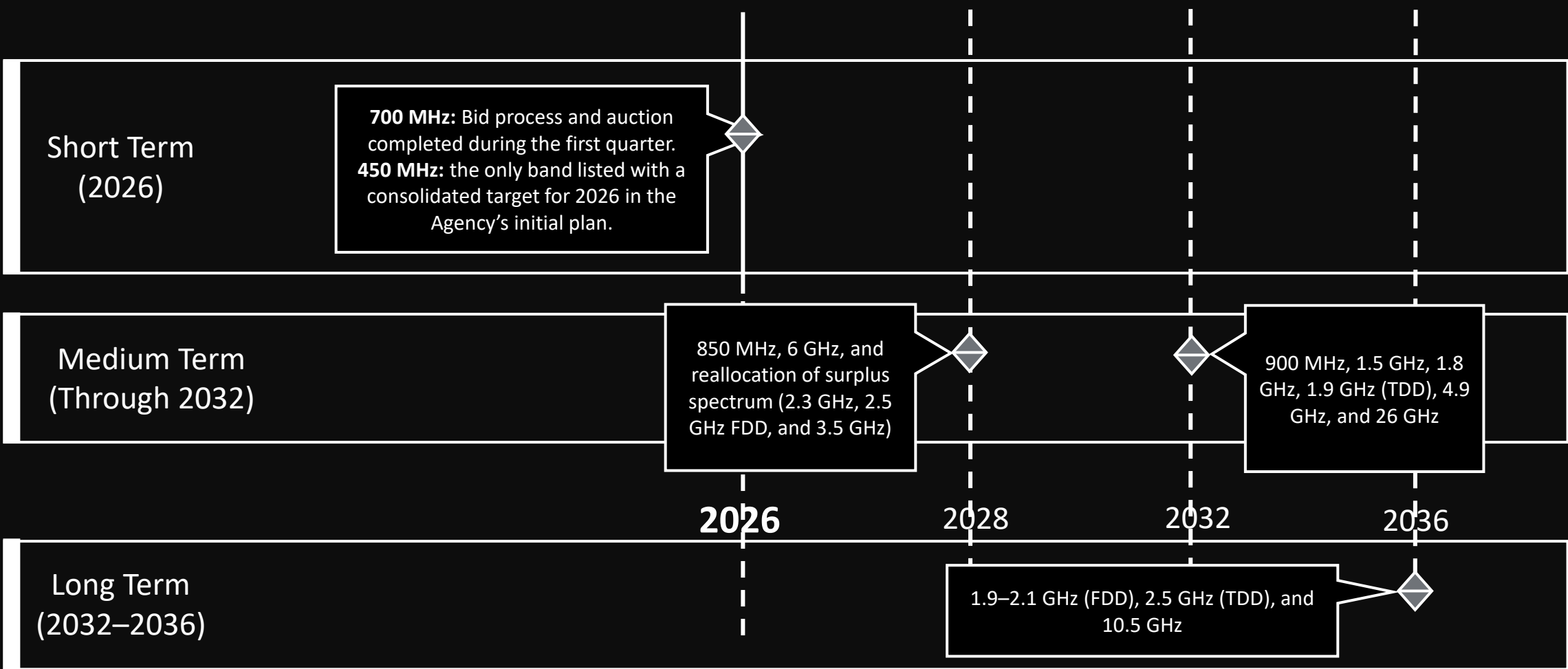
ANATEL intensified data collection and enforcement actions related to
pole occupancy agreements in 2026, supporting a nationwide
regularization process and the creation of a compliance database for
telecom operators.



The expansion of satellite-based connectivity is driving discussions on
interoperability between terrestrial and non-terrestrial networks,
creating new infrastructure-sharing opportunities.

TELECOMMUNICATIONS

Spectrum Auctions Calendar



DATA CENTERS INDUSTRY OVERVIEW

A significant growth market

Key competitive advantages:



Electricity matrix predominantly renewable (~85%)



Abundant water resources



Favorable geological conditions

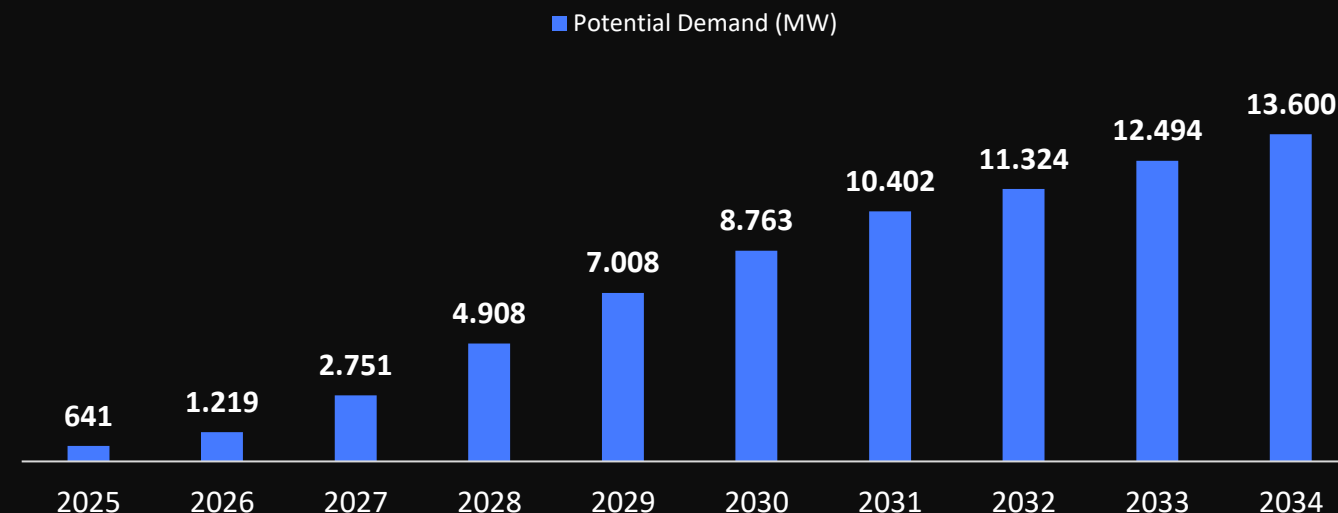


Fast access to a resilient transmission grid



Connectivity to major submarine cables

Potential data center demand in Brazil (in MW)



Source: MME, EPE, BCG, Ministry of Finance, IEA and Unctad

Challenges:



High tax burden on equipment imports

Federal Government expected to approve tax incentives ("Re-Data")



Data privacy

New regulatory framework under discussion in Congress; vote expected by mid-2026

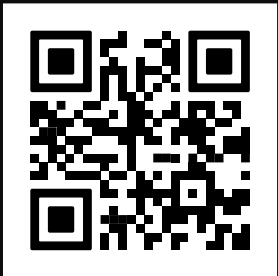
- 36 grid access requests submitted by data centers to Brazilian energy authorities
- Energy demand projected to rise from **641 MW (2025) → 8.8 GW (2030) → 13.6 GW (2037)**
- Government expects **USD 400 billion in data center investments** over the next decade
- Rio de Janeiro recently announced the creation of a data center hub ("Rio AI City") with expected energy demand of 1.8 GW



CESCON BARRIEU

ABOUT US

Get to know
our Team



We work in an integrated way across all areas of law, always mindful of how each legal decision affects the broader business landscape. We simplify complexity and anticipate risks by combining technology, data, and intelligence.

We are committed to excellence, innovation, and delivering real value to our clients. More than technical expertise, we believe our true difference lies in the intelligent connection of experience, close client relationships, and strategic vision.

With a global presence, we continue to strengthen trusted relationships and design legal strategies that drive sustainable growth.

This is how Cescon Barrieu has established itself as the Legal Intelligence Center.

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OUR CULTURE

Collaboration

We share knowledge, work as a team, act with empathy, maintain active and transparent communication

Protagonism

We are creative, adaptable and proactive, we take the initiative and assume responsibility

Client at the center

We understand the client, we are accessible, and we respond quickly

Excellence

We work to high quality standards, we are meticulous

6

Consecutive
years as
Elite Firm

+80

Partners

+550

Members

+30

Practice areas

+50

Awards



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