



The Race to COP30

Unlocking Brazil's Role in
the Global Climate Agenda

2025



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Introduction

Brazil is preparing to host the 30th United Nations Climate Change Conference (COP30) in Belém, Pará, in November 2025—a decisive milestone in global climate negotiations. According to estimates by Fundação Getúlio Vargas (FGV), more than 40,000 visitors are expected during the event’s key days.

Government leaders, private-sector representatives, and civil society will gather to discuss potential advances in climate negotiations and highlight how commitments made in previous editions are being translated into concrete actions. Expectations are that this conference will be the “COP of implementation.”

Under the auspices of the United Nations, COP30 represents a significant opportunity for Brazil to assume a leading role in the transition to a low-carbon economy, driving innovation, attracting investment, and consolidating its position as a global reference in sustainable development.

The main topics to be discussed include reducing greenhouse gas emissions, adapting to climate change and preserving biodiversity, financing for developing countries and climate justice, as well as new technological solutions.

The goal is to ensure that the benefits of the green economy reach all layers of society, fostering social inclusion, strengthening local value chains, and driving regional economic growth. This study seeks to map opportunities for the country within the global climate agenda and enrich the debate around COP30 by addressing the following strategic themes:



Climate justice: place equity at the center of the agenda, ensuring actions that benefit vulnerable communities and a decarbonization process that is inclusive and does not exacerbate social inequalities.



Energy transition: promote—and accelerate—the shift from fossil fuels to renewable sources, transforming the energy matrix and decarbonizing key sectors such as industry and transport.



Climate finance: expand financial mechanisms for climate change mitigation and adaptation, making investments safer and more profitable.



Brazil has a window of opportunity to integrate into global value chains and international trade agreements and to add significant value to its GDP as a global decarbonization hub. The country can leverage its comparative advantages, rooted in renewable energy, abundant water resources, critical minerals, land productivity, low-emission raw materials, and its strong orientation toward sustainability. We must view COP as a chance to position ourselves as leading players.”

Daniel Martins,
Partner and Energy & Utilities Industry Leader

01



Brazil in the global sustainability landscape

The world is currently facing multiple, interconnected climate emergencies that carry increasing social and economic costs. Climate-related natural disasters have resulted in substantial financial losses, severely impacting infrastructure and agricultural productivity.

In 2022, according to the **Climate Observatory**, the environmental crisis caused US\$1.5 trillion in global economic losses due to increasingly severe extreme weather events, such as storms, droughts, and floods. The financial sector is also under pressure, with insurers reporting record losses due to these disasters.

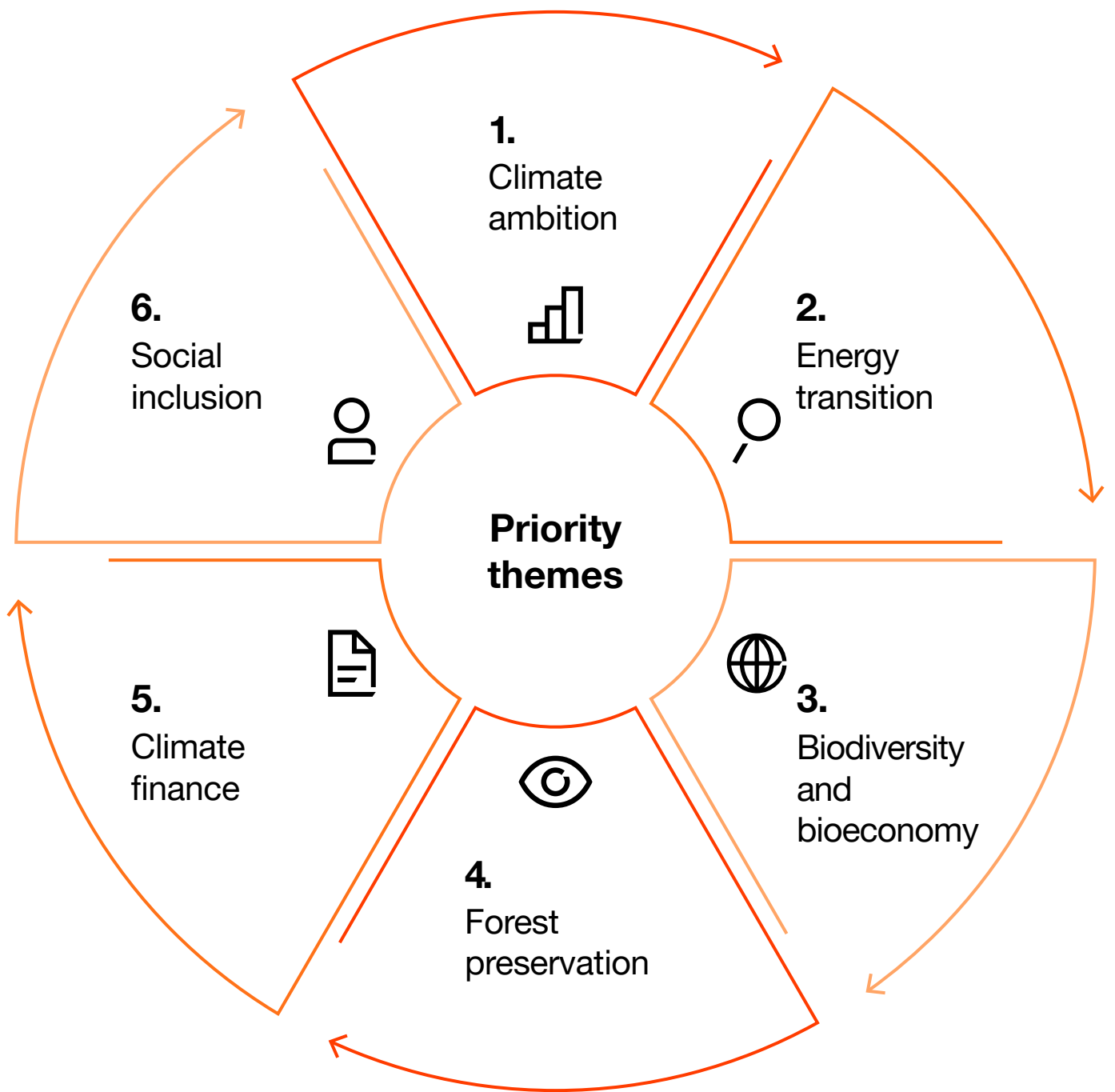
In 2024, global insurers recorded their highest losses since 2017, totaling US\$140 billion—more than double the 30-year average of around US\$60 billion—according to a survey conducted by the reinsurer Munich Re and **released** by the National Federation of Private Insurance and Reinsurance Brokers, Capitalization, Private Pensions, Insurance Brokerage Firms, and Reinsurance Companies (Fenacor).

Forecasts suggest that global income may shrink by almost 20% by 2050 if no effective action is taken against global warming, according to a study published in **Nature** by the Potsdam Institute for Climate Impact Research. The data make it clear that we are facing an unprecedented climate crisis that demands urgent responses.

Amid the growing need to address these disruptions and their consequences, Brazil is emerging as a central player in the global dynamic. The climate agenda introduces new variables into business decisions and represents an opportunity for Brazil to reposition itself within global value chains by leveraging its comparative advantages.

Brazil's vocation for renewable energy, its biodiversity, and its unique ecosystems, such as the Amazon and the Cerrado, together with its longstanding role in climate negotiations, position the country to lead sustainable initiatives both nationally and internationally.

During its 2024 G20 presidency, held in Rio de Janeiro, Brazil had the opportunity to shape discussions and influence decisions on issues central to the global agenda. The final Leaders' Declaration reaffirmed the group's commitment to intensifying efforts to ensure climate sustainability, addressing challenges such as the energy transition, biodiversity loss, desertification, ocean and soil degradation, droughts, and pollution.



1. Climate ambition: The urgency of reaching net-zero greenhouse gas (GHG) emissions by mid-century through more ambitious Nationally Determined Contributions (NDCs) was underscored.



2. Energy transition: The commitment to tripling global renewable energy capacity and doubling energy efficiency by 2030 was reaffirmed.



3. Biodiversity and bioeconomy: The 10 High-Level Principles on Bioeconomy were highlighted as a tool to guide businesses and governments in implementing sustainable, inclusive, and innovative practices, promoting a balance between economic, social, and environmental development.



4. Forest preservation: The need for additional efforts to halt and reverse deforestation and forest degradation by 2030 was discussed, along with reducing land degradation by 50% by 2040.



5. Climate finance: The expansion of climate funding was emphasized, with a focus on investments in emerging countries and innovative mechanisms such as the Tropical Forests Forever (TFFF) initiative.



6. Social inclusion: Priority was given to food security, access to clean water, sanitation, and the promotion of social inclusion, ensuring that no one is left behind.

As the host country of COP30, Brazil assumes a strategic role in shaping the conference's priorities, amplifying the impact of its leadership within the G20. The guidelines established in 2024 signal Brazil's intention to influence the global debate by promoting an integrated climate agenda that reconciles economic development, social justice, and environmental sustainability. Hosting COP30 represents a unique opportunity to advance international agreements and position the country as a global hub for decarbonization.

How does the G20 operate?

The Group of Twenty (G20) is the leading forum for international economic cooperation, responsible for shaping and strengthening global governance on major economic issues. Its role is essential in formulating policies that foster financial stability, sustainable growth, and responses to global challenges.

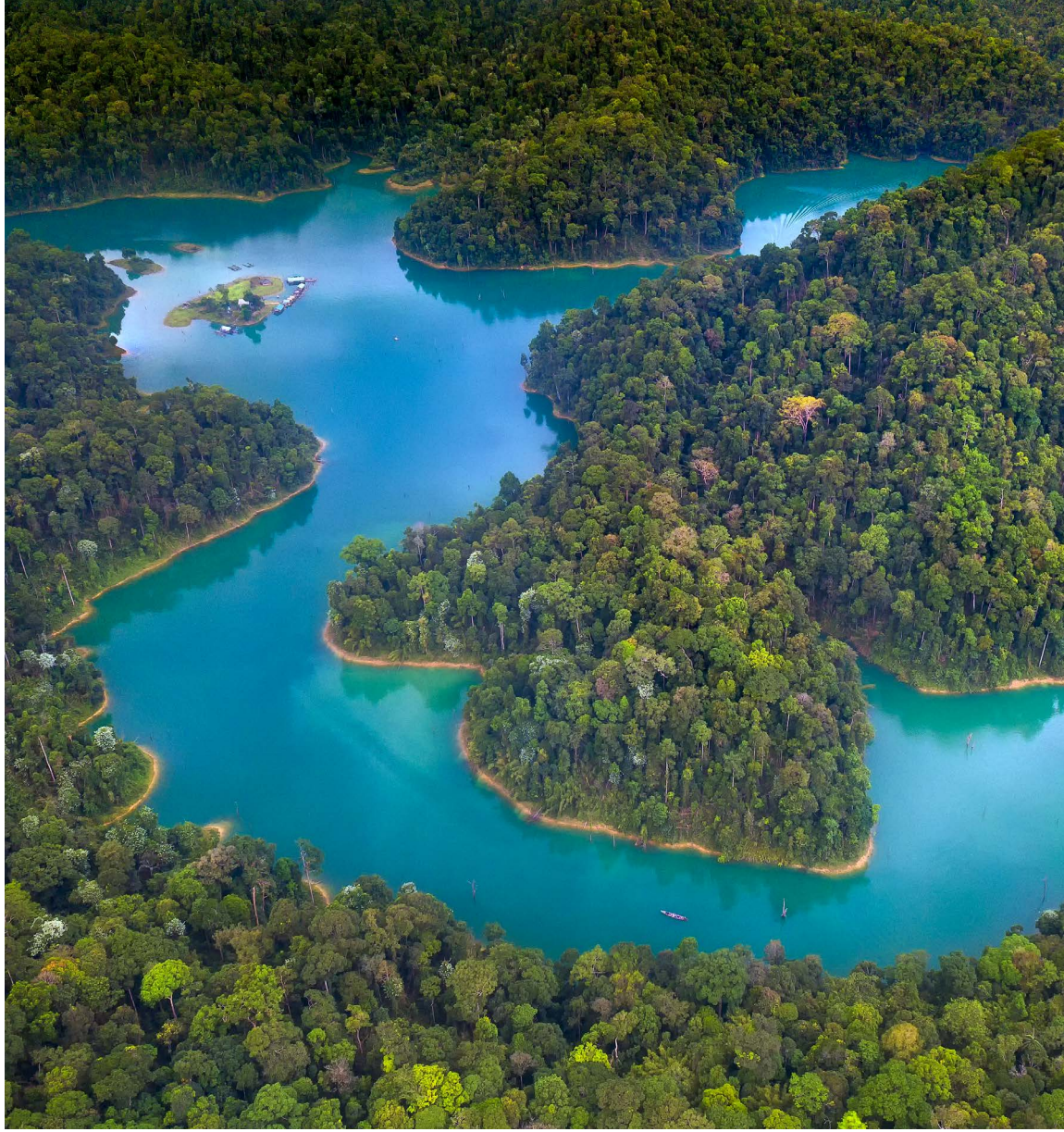
The G20 comprises 19 countries—including Brazil, the United States, China, and Germany—along with two regional blocs, the African Union and the European Union. Together, **its members account for more than 85% of global GDP** and 80% of the world's population. With exports of goods and services amounting to around USD 22 trillion, they exert a decisive influence on the global economy.



Presidency and agenda

The G20 operates with annual rotating presidencies. From December 1, 2023, to November 30, 2024, Brazil held the presidency of the group. Although initially focused on macroeconomic issues, the G20 has expanded its agenda to address global challenges across a range of areas, including sustainable development, health, energy, agriculture, the environment, and climate change.

02



COP29: legacy and implications for Brazil at COP30

As the world looks ahead to COP30, it is essential to examine the legacy of COP29, held in Baku, Azerbaijan, in November 2024. The event brought essential advances, such as the global commitment to reducing methane emissions—an important step in mitigating climate change—and updates to the definition of the New Collective Quantified Goal on Climate Finance (NCQG).

However, the event was also marked by frustrations, particularly due to the lack of greater ambition regarding climate finance and setbacks in previously established commitments on the energy transition agenda.

COP29 – progress and challenges



New foundations for the carbon market

After years of deadlock, COP29 achieved an unprecedented breakthrough by defining the rules for regulating the global carbon market, as outlined in Article 6 of the Paris Agreement. The article establishes guidelines for an UN-administered mechanism, with strict criteria for projects and activities eligible to generate carbon credits, enhancing the reliability of this market as a tool for climate mitigation.



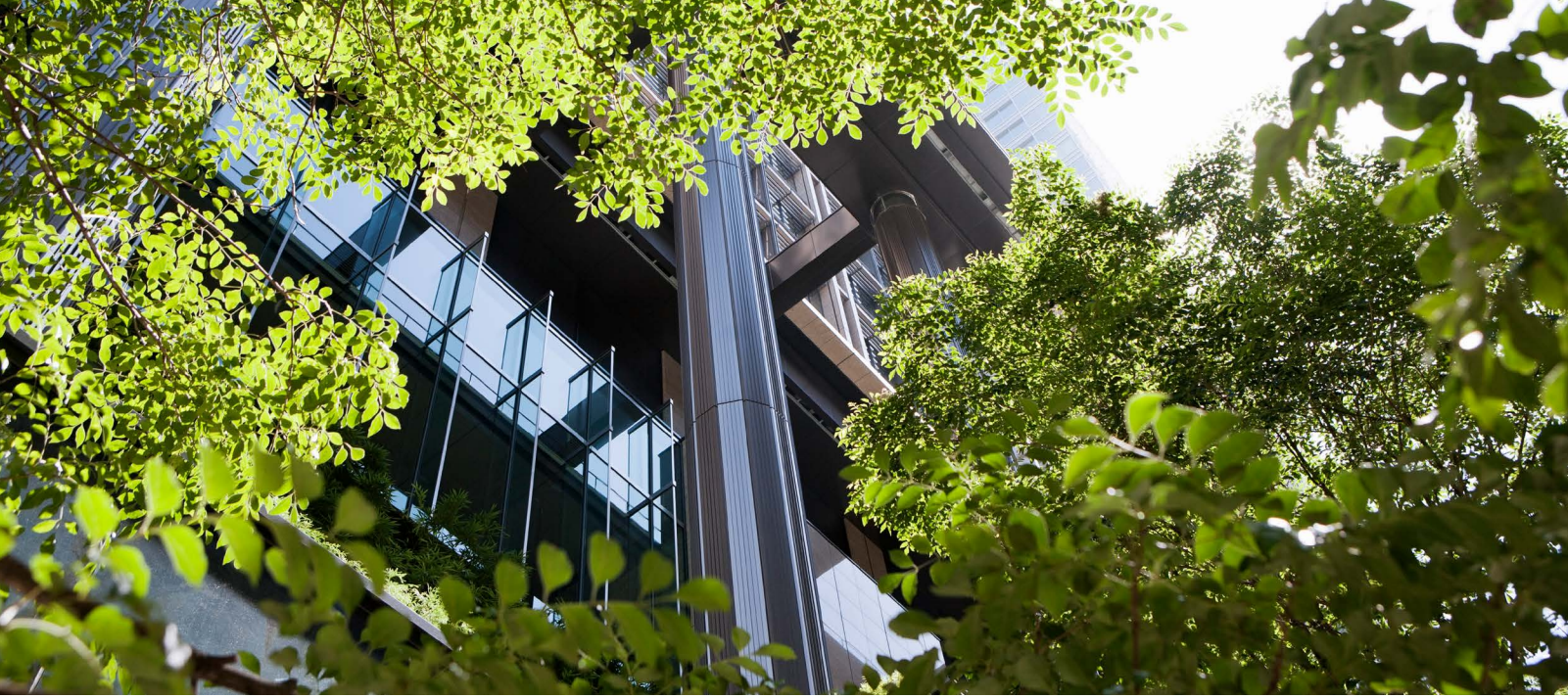
Brazil's new GHG emissions reduction target

Brazil presented its new Nationally Determined Contribution (NDC), setting a target to reduce greenhouse gas emissions by 59% to 67% by 2035 relative to 2005 levels. This new commitment is more ambitious than the previous target and reinforces Brazil's alignment with global climate agreements.



Methane emissions reduction

COP29 reinforced the global commitment to reduce methane emissions by at least 30% by 2030, compared to 2020 levels. Brazil signed the Declaration on Reducing Methane from Organic Waste, committing to practices such as composting, organic waste recycling, and methane capture from landfills for energy generation.



Insufficient climate finance

Although developed countries raised the climate finance target to USD 300 billion annually, developing countries require far greater resources, estimated at around USD 1.3 trillion per year starting in 2025. The new collective climate finance goal (NCQG) falls far short of meeting the estimated needs of more than USD 13 trillion over 10 years. In response, the Baku to Belém Roadmap to 1.3T was launched, calling on governments and the private sector to mobilize at least USD 1.3 trillion annually by 2035 to address the climate crisis.



Lack of progress on climate adaptation

COP29 left significant gaps regarding climate adaptation, with no clear commitments to support vulnerable countries in their adaptation strategies and related financing. In addition, there was little progress on mechanisms for loss and damage, which are essential to addressing extreme events and the irreversible impacts of climate change.



Setback in the energy transition

Discussions on climate change mitigation suffered a setback in Baku. After COP28, in Dubai, marked a historic step by signaling the phase-out of fossil fuels, COP29 backtracked, omitting direct references to the sector from the final text.

This blockage came from countries whose economies rely heavily on oil and gas extraction and exports, which opposed any wording suggesting a faster transition.



Strategic points for Brazil were left out

Despite Brazil's expectations, some of the country's priorities were not included in the final decisions. The official recognition of the rights of Afro-descendant populations and the integration of the three United Nations Conventions on Climate, Biodiversity, and Desertification—the three COPs held respectively in Cali (Colombia), Baku (Azerbaijan), and Riyadh (Saudi Arabia)—were omitted from the agreed commitments.

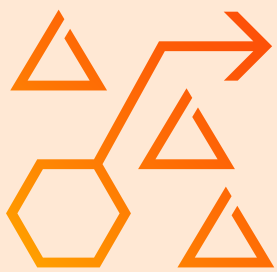
In addition, the Just Transition Work Programme ended without any agreement, and the Mitigation Work Programme only pointed to continued discussions at COP30, with no concrete progress.

What will be on the agenda at COP30?

The lack of consensus at COP29 brings additional challenges for the 2025 conference. With the rotating G20 presidency and the responsibility of hosting COP30, expectations are that Brazil will bring forward new perspectives and viable pathways that reconcile innovation, social justice, and sustainability. Among the main topics likely to dominate discussions are:



Update of national greenhouse gas emissions reduction targets: reflecting commitments defined under the third generation of Nationally Determined Contributions (NDCs 3.0), with the deadline for submission by countries extended to September 2025.



Energy transition: accelerating decarbonization by implementing the commitment to triple renewable energy capacity and double energy efficiency by 2030, with a focus on a just transition.



Climate finance: expanding resources for developing countries, with more accessible and effective mechanisms.



Low-carbon technologies and solutions: fostering innovation to drive the green economy and reduce emissions at scale.



Nature protection and restoration: strengthening policies for the conservation and restoration of tropical forests and other biomes, while promoting the bioeconomy.



Climate justice: enhancing the resilience of communities most vulnerable to climate change impacts and advancing the implementation of adaptation measures.



03



Climate justice: inclusion, sustainability, and action

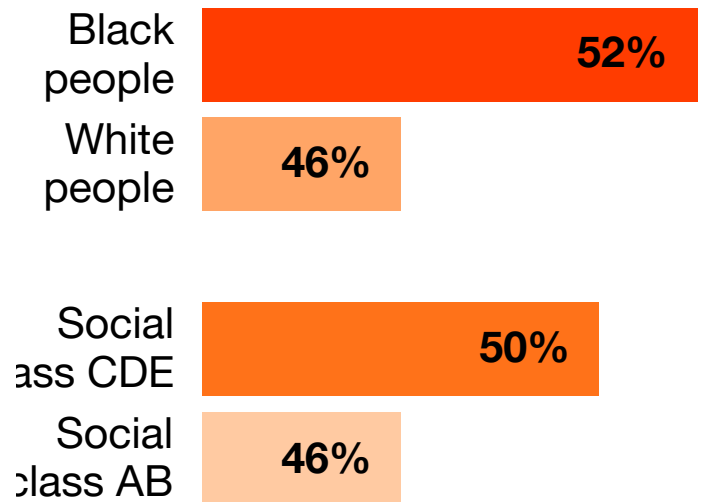
Climate change is a reality, but its impacts are not felt equally by all people. **The Climate Justice Survey** by PwC Brazil and Instituto Locomotiva, conducted with 1,500 Brazilians over 18 years old, revealed that 98% of respondents have already noticed some form of extreme climate event in their cities, such as rising temperatures (94%), more intense rainfall (82%), and frequent flooding (76%). However, the severity of these impacts varies significantly, reflecting pre-existing social inequalities.

According to our survey, the most vulnerable groups—such as low-income individuals (72%), Black populations (49%), women (46%), residents of urban peripheries (58%), and small rural producers (55%)—are most affected by climate change. With fewer resources for adaptation, these groups face greater exposure to food insecurity and increasingly severe natural disasters.

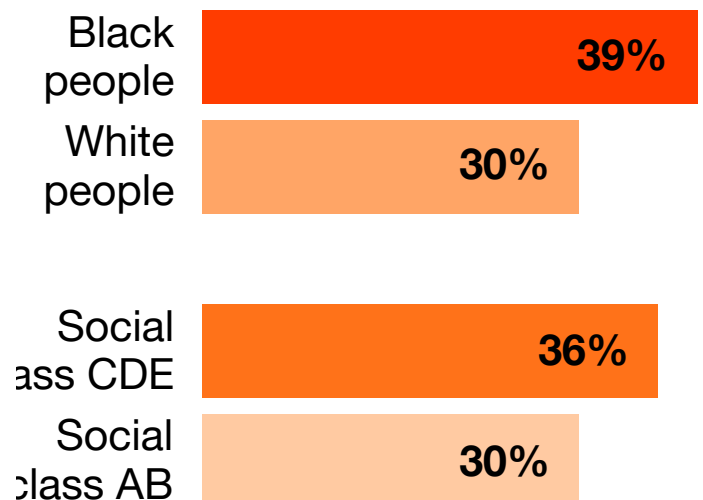
Experience of climate events in Brazil

The data reveals how social and racial factors increase vulnerability to extreme events.

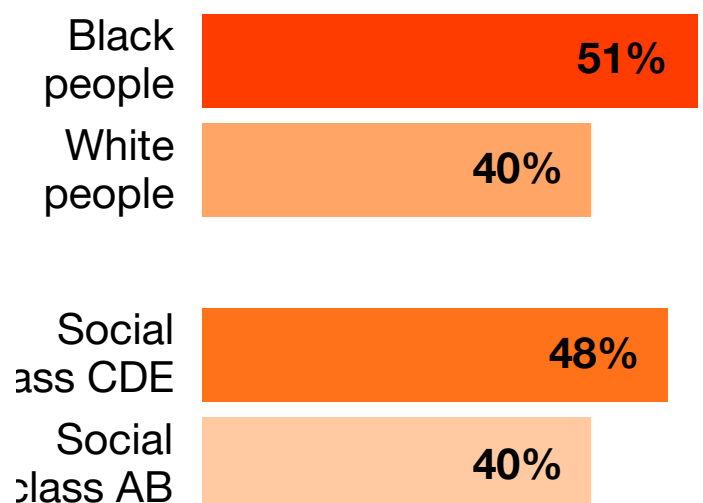
Faced flooding in the streets



Faced damage to housing structures due to heavy rain or strong winds



Faced water rationing or a constant lack of water at home



Perceptions of climate justice in Brazil

Talking about climate justice means recognizing that the effects of the climate crisis do not affect everyone equally and that it is necessary to protect, in particular, those most vulnerable to its impacts.

Although 91% of Brazilians report having some knowledge about climate change, only 32% understand the concept of climate justice. However, after being introduced to the idea, 75% considered the topic very important—a clear sign that awareness increases when information is presented in an accessible way.

Challenges for promoting climate justice

One of the main obstacles is skepticism toward science. Despite growing awareness, 54% of respondents express doubts about well-established scientific facts, particularly regarding:

The link between rising global temperatures and human activity.

The accelerated melting of polar ice caps.

The impact of sea level rise.

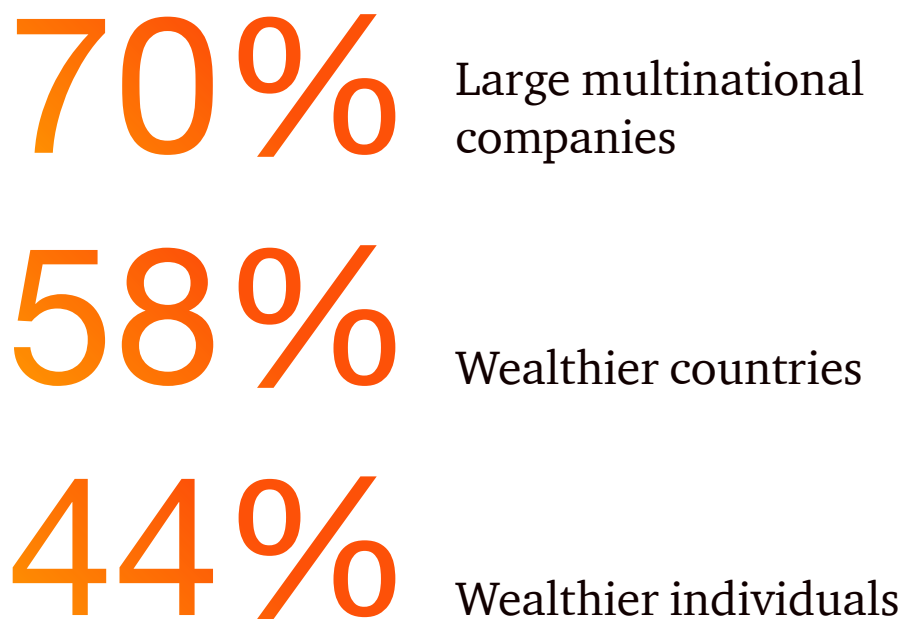
The role of carbon emissions in intensifying extreme events.

Misinformation undermines society's ability to pressure governments and companies for concrete action, hindering the advancement of effective public policies for mitigation and adaptation.

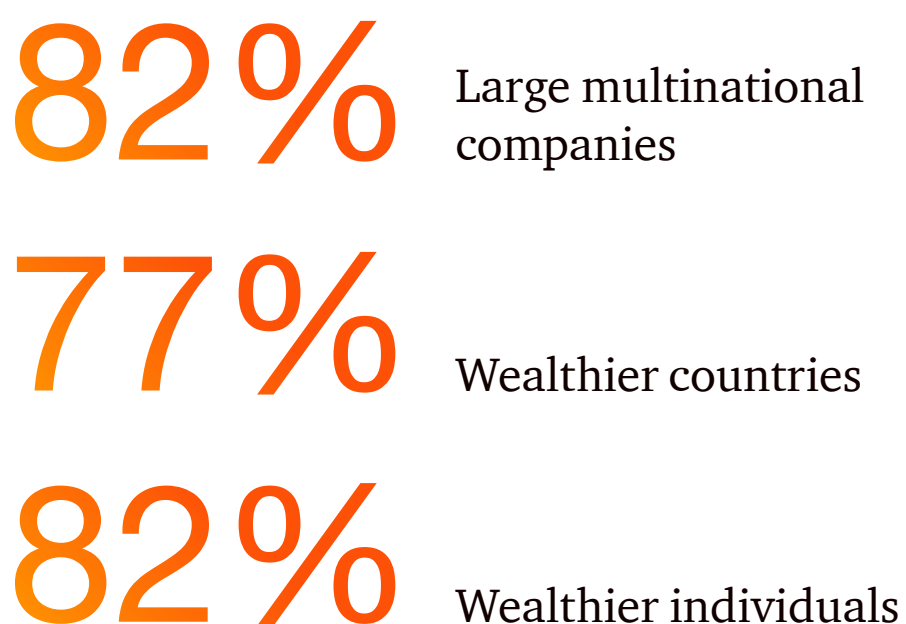
Who is responsible and who can make a difference?

Public perception highlights a direct relationship between the main drivers of climate change and those with the most significant capacity to act in mitigating its effects:

Identified as the main contributors to climate change:

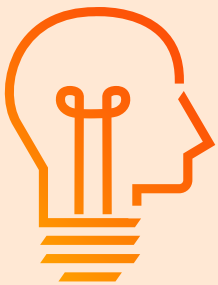


Groups seen as best positioned to help reduce climate change:

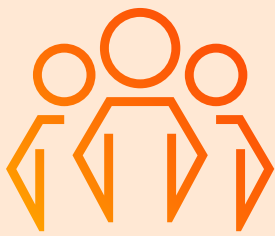


Priority actions

Climate justice should not be treated as a secondary issue, but rather as a central pillar of global environmental policies. COP30 represents a window of opportunity to deepen the debate on climate justice and build effective solutions. Some key actions include:



Education and awareness: Accessible communication strategies and educational campaigns can increase public engagement and strengthen demand for climate policies.



Climate solidarity: Developed countries, large corporations, and high-income individuals have a crucial role in mitigating climate change, both because of the impact they generate and the resources they can mobilize.



Effective public policies: Public policies are fundamental for creating an enabling environment for the development of resilient infrastructure and communities.



Investments in capacity building for a low-carbon economy: A Strategy & study estimates that more than three million jobs could be created in Brazil by 2030 through the development of low-carbon industrial pathways. Training the workforce, as well as micro, small, and medium-sized entrepreneurs, is therefore essential.

04



Towards a just energy transition: challenges and opportunities

The energy transition is one of the essential pillars in combating climate change, as it promotes replacing fossil-fuel-based energy sources with renewable and low-carbon alternatives. This transformation requires a coordinated effort that considers environmental, social, and economic dimensions, ensuring that the benefits of the transition are broad and inclusive.

With an energy and electricity matrix that is already predominantly clean, Brazil has made significant progress in advancing its energy transition. The main challenges and opportunities lie in leveraging the country's comparative advantages to support the global decarbonization agenda.

Challenges and trends

The latest projections from the Intergovernmental Panel on Climate Change (IPCC) indicate an increase of up to 2.6 °C in the average global temperature by 2100 compared to pre-industrial levels. Although this figure remains above the 1.5 °C target established by the Paris Agreement, the evolution of projections highlights the positive impact of climate policies: in 2010, the increase was estimated at up to 4.8 °C, and in 2015, at up to 3.2 °C.

This scenario underscores the urgent need for more ambitious targets and, above all, for accelerating the implementation of low-carbon policies and technologies. Beyond the climate issue, geopolitical and economic factors add layers of complexity:

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- **Global crises** such as the war in Ukraine and other geopolitical conflicts have disrupted supply chains and generated restrictions on supply and distribution.
 - **Inflation and rising global interest rates** hinder investment in sustainable infrastructure, particularly in emerging countries.
 - **The global geopolitical landscape** is marked by a reconfiguration of political and trade alliances, accompanied by the strengthening of nationalist movements.
 - **Domestic political instability and regulatory challenges** limit progress and delay the approval of key energy-sector policies.
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In this challenging context, the energy transition agenda must adapt, guided by four central transformation pillars: **4Ds of Energy**—Decarbonization, Decentralization, Digitalization, and Demand Disruption.

Decarbonization: the path to a clean future

Decarbonization is the central element of energy transition and must rely on different sources and solutions depending on regional potential. In this sense, wind, solar, biofuels, low-emission hydrogen, and even natural gas in specific applications are expected to play a crucial role.

Decentralization: energy in the hands of consumers

The expansion of distributed generation, driven by falling solar energy costs, is creating a new reality marked by the rise of prosumers—consumers who also generate their own energy. This movement is reinforced by the growth of the free-energy market and by incentives for self-generation, especially in the commercial and industrial sectors.

Digitalization: connecting the future of energy

Digitalization promotes energy efficiency and enables the smart integration of renewable sources. One example is Virtual Power Plants (VPPs), which centralize and optimize the use of distributed generation sources and consumption patterns. With a market potential estimated at BRL 3 billion, VPPs lower costs, increase the reliability of the electricity system, and promote the use of clean energy.

Demand disruption: the impact of electrification

The electrification of key sectors, such as transport and industry, is a major driver of demand disruption. The **growth of electric vehicles (EVs) is accelerating**, with global automakers planning to achieve net-zero emissions by 2050.

Electrification of transport will drive a reduction in fossil fuel consumption, with EV sales gaining momentum starting in 2027, according to **Strategy& projections**. By 2030, the electrified fleet is expected to reach 18% of light trucks and buses, 12% of passenger cars, and 7% of heavy trucks. In manufacturing, heat pumps are projected to be the main electrification alternative by 2030.

Decarbonization, innovation, and opportunities for Brazil

Despite being a major oil producer, Brazil demonstrated at COP29 its commitment to gradually reducing its reliance on fossil fuels and advancing sustainable solutions. With around 90% of its electricity matrix sourced from renewables—well above the global average of 28%—the country stands out as a benchmark in clean energy and positions itself as a key player in the global energy transition.



**3rd
largest**

renewable energy
generation capacity
in the world

55%

wind capacity factor
(compared to 30%
global average)

**2nd
largest**

ethanol producer globally

Key areas for growth

Advances in biofuels

Progress in biofuels—particularly ethanol and biodiesel—strengthens Brazil’s role as one of the leading providers of sustainable solutions for the transport sector, given the country’s agricultural vocation and the maturity of its infrastructure and production capacity.

The transport sector accounts for around 20% of global energy-related emissions. According to the International Energy Agency (IEA), biofuels are expected to represent 16% of the sector’s energy consumption by 2050. In aviation, Sustainable Aviation Fuels (SAF) are projected to account for 45% of energy consumption in the same period.

For countries with predominantly non-renewable electricity matrices, the use of Brazilian biofuels offers greater decarbonization potential than fleet electrification, when considering a complete life-cycle perspective. A **Strategy& study** estimates the global biofuels market at USD 1.1 trillion by 2050, and Brazil is well-positioned to lead it.

Brazil also stands out for its high use of biofuels in industrial sectors, with renewables already accounting for 44% of its primary energy mix, compared to the global average of 15%, according to data from the **Energy Research Office (EPE)**.



With the approval of the Future Fuels Act (**Law No. 14.993/24**), a significant increase in the production and use of these alternatives is expected, boosting the decarbonization of the energy matrix. The new legislation is also likely to unlock **BRL 260 billion in investments** by establishing a regulatory framework for carbon capture and storage, thereby stimulating technological innovation and fostering the growth of a cleaner economy.



Expansion of renewable energy

A PwC study on the energy transition in Brazil shows that the country has been consolidating itself as a strategic hub for clean energy, with the expansion of solar, wind, and hydropower plants to increase renewable generation capacity.

The pursuit of energy self-sufficiency and the dynamics between the free and regulated markets have accelerated the adoption of self-generation projects, especially in the residential (41%) and commercial (34%) sectors, driving the rise of prosumers. Expectations point to continued growth of solar energy, driven by cost reductions and greater market competitiveness.



Electrification of the transport sector

The electrification of the transport sector represents a strategic opportunity for Brazil to reduce emissions and foster a new value chain focused on sustainable mobility. With the right incentives, the country could accelerate the adoption of electric vehicles (EVs), contributing to the decarbonization of the transport matrix.

According to a PwC study on the energy transition in Brazil, the EV fleet's electricity consumption is estimated to reach 4.4 TWh by 2030. This progress could lead to a significant reduction in fossil fuel use—between 3 and 5 billion liters of gasoline, representing 5% to 9% of current demand.



Industrial electrification

Industrial electrification will also play an essential role in global decarbonization, with electricity's share of global energy consumption expected to rise from 20% in 2022 to 27% in 2030. The greatest potential for industrial electrification lies in low-temperature processes, where heat pumps can replace fossil fuels. By 2050, technologies are expected to evolve to enable the electrification of high-temperature processes as well.

In Brazil, given the electricity matrix's already low carbon intensity, industrial electrification can support decarbonization while boosting the production of low-carbon products and enhancing the country's integration into global value chains.

Low-carbon hydrogen production

Thanks to the competitiveness of its renewable sources—particularly solar and wind—Brazil has the potential to stand out as one of the leading producers of low-carbon hydrogen and to become a global supplier of low-carbon products and renewable energy, while also decarbonizing carbon-intensive industrial sectors. However, realizing this potential depends on technological advances and reductions in hydrogen production costs, the introduction of local and global carbon-pricing instruments, and the development of transport and storage infrastructure.



Despite these challenges, with the enactment of the Low-Carbon Hydrogen Legal Framework (**Law No. 14.948/24**) and the launch of the Low-Carbon Hydrogen Program (PHBC), Brazil is already moving forward with large-scale projects at the Port of Pecém (Ceará) and foresees **BRL 18 billion in tax incentives** for producers from 2028 to 2032.

The role of natural gas as a transition fuel

Although it is also a fossil fuel, natural gas is seen as a transition fuel between oil and coal, and the full adoption of renewable energy sources. Estimates from the IEA indicate that fossil fuels will still be needed in 2050, meeting 40% of global energy demand. In this context, natural gas can play a critical role in ensuring energy security and reducing GHG emissions, particularly in the short term.

Key ways in which natural gas contributes to decarbonization include:



1. Replacing coal in hard-to-abate industrial processes: for instance, replacing coke and coal with natural gas in steelmaking could reduce emissions by around 40%.



2. Complementing renewables: replacing coal-fired power plants—which account for 43% of global energy-related emissions—ensures energy security. In contrast, energy storage solutions are not yet widely deployed.



3. Replacing oil in heavy transport: mitigating emissions in maritime shipping and heavy-duty vehicles through the use of methanol, ammonia, or compressed/liquefied natural gas (CNG/LNG).



Development of innovative technologies

A PwC study on the energy transition in Brazil also shows that the country has the potential to drive innovative technologies that support energy transition and sustainability.

The use of blockchain can enhance transparency in emissions tracking, while the Internet of Things (IoT) optimizes energy efficiency in industrial processes. Meanwhile, generative artificial intelligence (AI) helps forecast consumption patterns, optimize energy distribution, and mitigate the impacts of climate change.



05



Financing climate action

Climate action requires more than good intentions and political commitments. It demands solid, structured, and long-term financing. Financial instruments play a key role in securing resources for mitigation and adaptation initiatives. Climate resilience funds and sustainable debt instruments are already being used globally to mobilize capital for sustainability.

However, beyond raising resources, they must be allocated strategically—directed to the appropriate instruments and to the stakeholders who truly need them.

Existing financial instruments

Climate resilience funds

Created to support vulnerable countries in adapting to climate change, these funds provide resources for projects that strengthen the resilience of communities exposed to natural disasters and extreme climate variations. Examples include:

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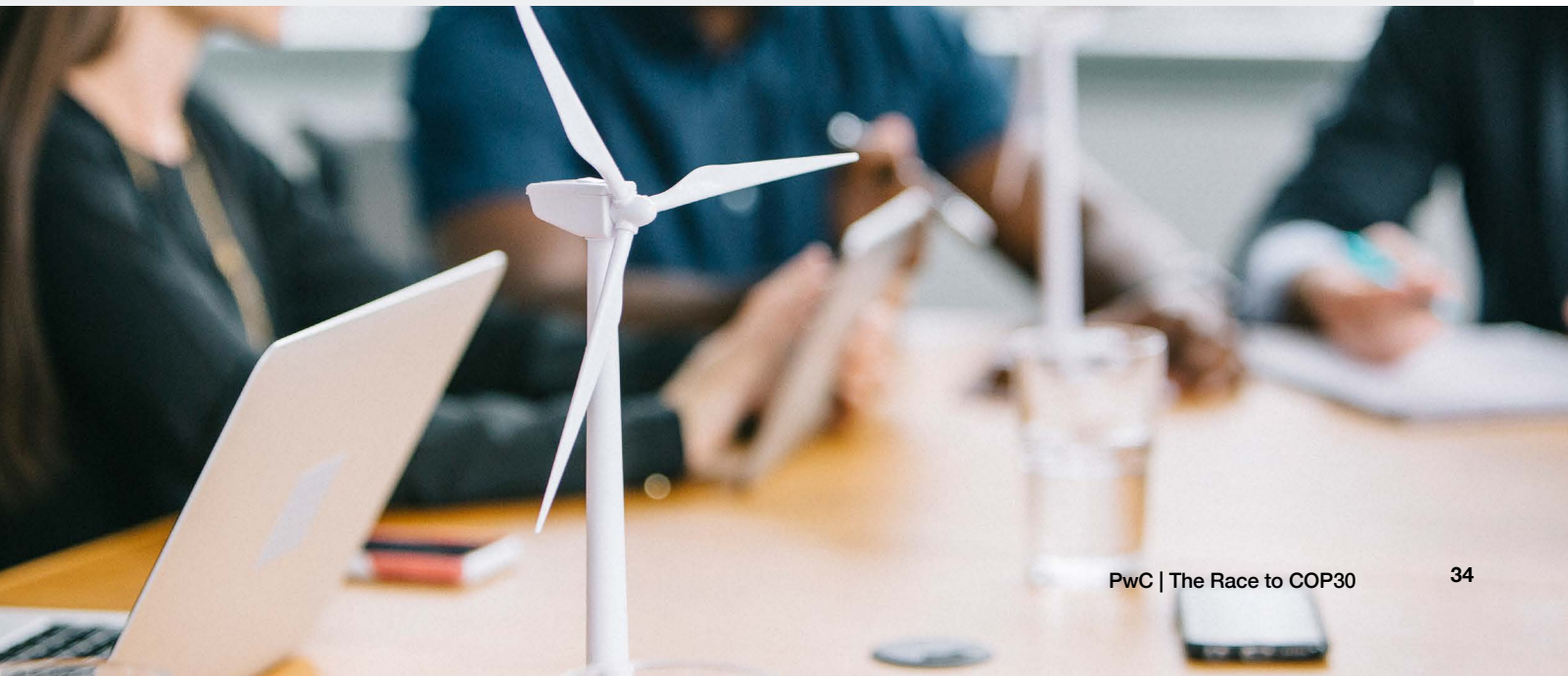
- **Green Climate Fund (GCF)**: created under the UNFCCC, it finances mitigation and adaptation projects. Since 2015, it has built a portfolio of more than 100 projects, including 13 in Brazil up to 2024.
- **Adaptation Fund (AF)**: Established in 2001 under the Kyoto Protocol and launched at COP 7, the Adaptation Fund (AF) finances projects for vulnerable countries, with resources from government donations and the carbon market. By June 2024, the fund had accumulated nearly US\$1.5 billion from voluntary contributions, around US\$215 million from CER monetization, and US\$121 million from earnings on the trust fund balance.
- **Climate Investment Funds (CIFs)**: managed by the World Bank, it invested US\$70 million in Brazil's Cerrado to reduce emissions and promote sustainable land use. In 2020, more than US\$300,000 were allocated to technical assistance in green finance.

Sustainable debt securities

These are financial instruments that raise funds for sustainable projects, helping countries and companies secure financing for climate initiatives. The main instruments include:

2

- **Green Bonds**: finance renewable energy and sustainable infrastructure. In 2024, they surpassed US\$1 trillion for the first time. Between 2017 and 2023, the total accumulated amount reached US\$4.4 trillion.
- **Sustainability Bonds**: linked to environmental and social goals, these bonds gained prominence in Brazil, which issued its first sovereign Sustainable Bond in 2023, raising **US\$2 billion**, and reissued the same amount in 2024.
- **Blue Bonds**: focused on ocean conservation and water sustainability projects. Brazil issued its first such bond to address emissions equivalent to 100 million tons, with resources allocated to preservation and restoration investments. As of July 2024, the Blue Bond market had reached US\$12.3 billion globally.



Investment approaches for the energy transition

COP30 will be a decisive moment for the global climate agenda, bringing together international leaders, businesses, and organizations to discuss how to turn commitments into practical action.

Financing for adaptation and mitigation will be a primary focus, with expectations of expanding resources to support vulnerable countries through investments in resilient infrastructure, food security, and access to safe drinking water in areas affected by extreme climate events.

Another key issue will be the just energy transition, which depends on investments in renewable energy, modernizing power grids, and electrifying transport. In addition, discussions include the creation of compensation mechanisms for workers and communities impacted, fostering an inclusive and socially just transition.



Finally, there is growing pressure on multilateral financial institutions, such as the World Bank and the IMF, to revise their financing models to make credit more accessible to developing countries.

Proposals include lowering interest rates, offering more flexible repayment terms, and creating new financial instruments such as climate resilience funds and sustainable debt securities, which are essential to support climate action on a global scale.

06



Private sector: balancing challenges and the urgency of change

The climate crisis has taken on an increasingly prominent role in the private sector agenda, driving investments in decarbonization initiatives. This movement is fueled by regulations and government incentives that help turn sustainable investments into competitive advantages.

According to **PwC's 28th Global CEO Survey**, while 25% of CEOs in Brazil believe that investing in low-carbon initiatives has increased costs, two-thirds of executives state that such investments have either reduced expenses or had no significant financial impact.

Companies that integrate sustainability into their strategies and effectively communicate their commitments and progress not only strengthen their market position but also attract investors focused on climate governance and net-zero transition plans, increasing capital flows toward the agenda.

Recent data from the 2024 Global Investor Survey show that:

80% of Brazilian investors (72% worldwide) consider governance to be a very or extremely important aspect in net-zero transition plans.

60% of Brazilian investors (67% worldwide) believe that capital and operational expenditures associated with climate targets are crucial factors in decision-making.

More than half of investors consider it essential for companies to be clear and ambitious in their decarbonization strategies.



Innovation and technology as drivers of the transition

According to the 2024 Global Investor Survey, approximately 50% of investors consider it essential for companies to reinvent their business models to respond to climate change. Globally, 80% of companies identify technological innovation as the primary driver of how they create, deliver, and capture value.

Disruptive technologies such as AI are already shaping investment decisions, enhancing the ability to analyze information and facilitate decision-making. In Brazil:

28%

of investors say that using AI has significantly increased their ability to interpret data disclosed by companies.

37%

reported a moderate increase in this capacity.

The role of the private sector in climate action

The private sector plays a fundamental role in fostering climate action and raising ambition regarding decarbonization targets. By showing clear, decisive signs of change and making public commitments to ambitious emissions-reduction targets, organizations not only drive internal transformation but also create business opportunities, strengthen competitiveness, and stimulate innovation.

This includes developing new business models, forging strategic partnerships, and integrating the value chain — particularly by involving micro, small, and medium-sized enterprises (MSMEs) in decarbonization strategies.

COP30 will be an essential platform for the private sector to lead by example, celebrate success stories, raise ambition in climate negotiations, and demonstrate the positive impact of sustainable business practices. Engaged companies not only strengthen their own operations but also influence public policy and inspire other organizations to follow the same path.

High-Level Climate Champions (HLCs)

The role of the High-Level Climate Champions (HLCs) was established at COP21 to connect governmental climate action with the voluntary efforts of cities, businesses, investors, and communities.

They are supported by a global team of specialists — the Climate Champions Team (CCT) — which plays a strategic role in mobilizing non-governmental actors, fostering collaboration, strengthening climate coalitions, and enhancing transparency in climate mitigation and adaptation initiatives.

The work of the HLCs seeks to align local and global actions with NDCs, reinforcing commitment to the Paris Agreement and ensuring its guidelines are translated into concrete action. In addition, the Climate Champions coordinate high-level events and promote strategic partnerships to drive global climate ambition. By connecting different sectors and encouraging innovative solutions, they help build a collaborative ecosystem that effectively and inclusively accelerates the transition to a low-carbon economy.



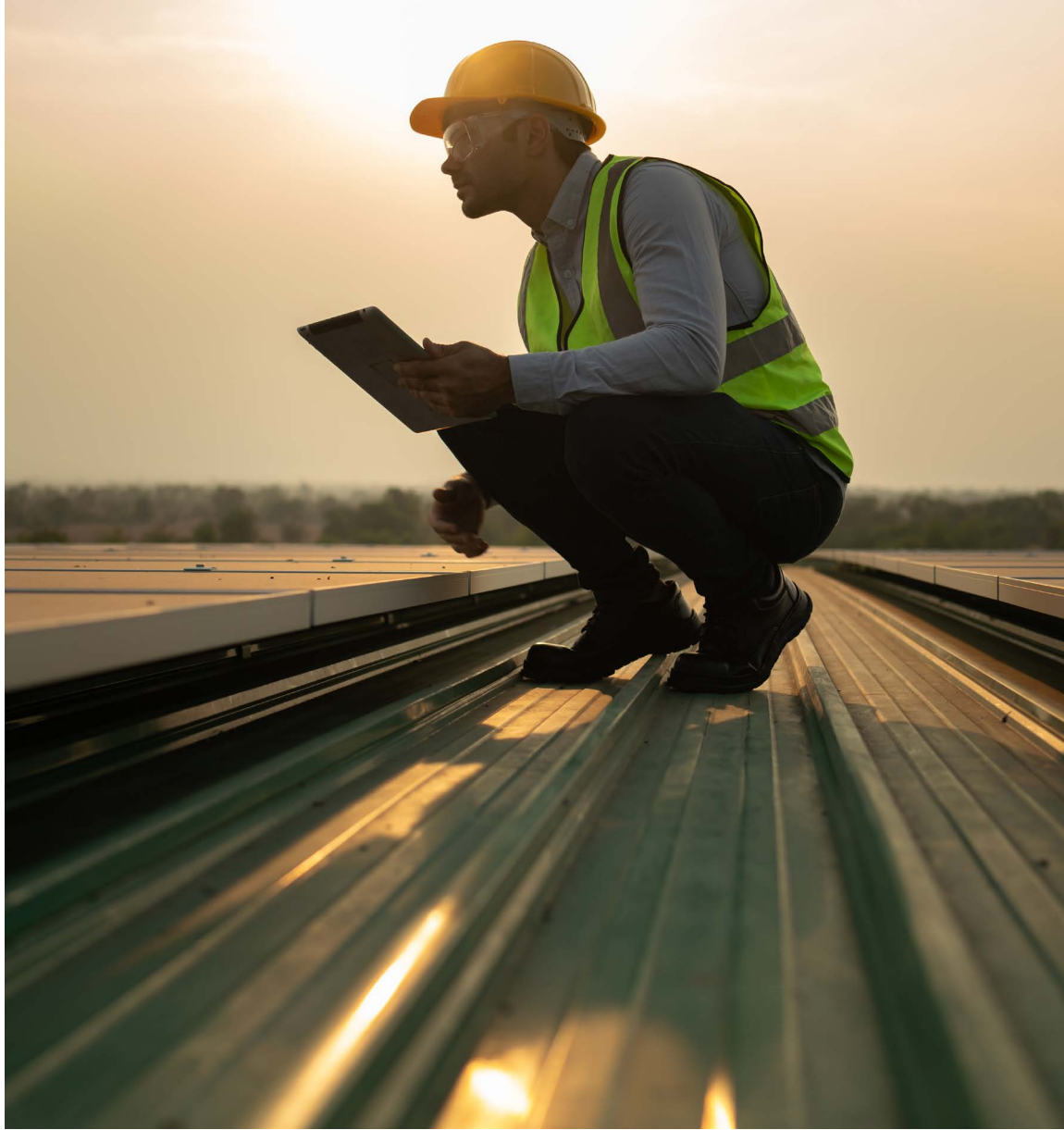
The CCT works in partnership with multiple institutions, including allocating climate specialists to join the team. Reinforcing its commitment to the climate agenda, PwC provides three experts to lead Climate Champions' engagement with the private sector — globally and regionally, in Latin America & the Caribbean, and in Africa.



We are entering the ‘decade of implementation,’ where demonstrating concrete progress and results against the commitments made will be at the core of the climate action agenda. Through our partnership with the Climate Champions, we are amplifying the impact of our work to promote decarbonization and the development of our economy, fulfilling our responsibility to society.”

Mônica Árabe,
Climate and Sustainability Specialist, Strategy&

07



Next steps

COP30 has the potential to be a turning point in the global climate agenda, transforming commitments into concrete actions. After decisions that fell short of expectations at the Baku conference, the meeting in Belém, under Brazil's presidency, represents a strategic opportunity for the country to take a leadership role, promoting essential discussions to enable climate adaptation and economic decarbonization.

But for this event to catalyze effective change, several key pillars must be strengthened. The first is the formulation of effective public policies, ranging from carbon pricing to tax incentives for clean technologies. Without a robust regulatory framework, climate finance will remain fragmented and insufficient.

The second aspect is structured support for SMEs, which are fundamental to the global economy but often lack the resources to adapt their processes to more sustainable models. This includes training programs to requalify workers and generate jobs in emerging sectors for the energy transition.

The third pillar is the engagement of vulnerable communities and Indigenous peoples, who are essential to ensuring a just energy transition and adequate protection of nature. This requires participatory governance models that reflect their needs. Finally, the fourth element is expanding financing mechanisms, such as carbon markets, green bonds, and climate funds, which must be structured to be more accessible and transparent.

In this context, the private sector plays a crucial role in the climate transition, acting both as a financier and an agent of transformation. Companies can accelerate decarbonization through sustainable practices, technological innovation, and strategic partnerships. For COP30 to truly be a turning point, commitments must not remain only in speeches.

At COP30, Brazil can position itself as a decarbonization hub by integrating low-emission products into global value chains, attracting investment, creating jobs, and fostering socioeconomic development. Brazil has competitive advantages that go far beyond its forests and biodiversity. However, it will be necessary to build a national alliance involving the public, private, and civil sectors.

The decisions made now will define the future of the next generations, and building a more resilient and sustainable planet depends on immediate, coordinated action across all sectors. The challenge is great, but the opportunity for transformation is even greater.



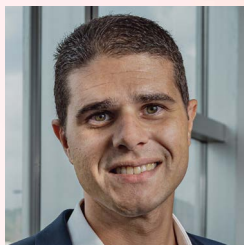
It is urgent to integrate climate demands — such as Net Zero — and find a balance with other priorities of the energy industry to define strategies and communicate progress promptly, working together with the public and private sectors toward the transition to a more sustainable future. In this context, Brazil will play a fundamental role in building more ambitious solutions and implementing global decisions.”

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