

Brasília, May 27th, 2026

Dear Presidential Candidates,

We, representatives of the renewable energy sector and the undersigned organisations, address Your Excellencies with clarity and a sense of urgency. Brazil is facing a historic window of opportunity to consolidate its leadership in the global energy transition, and there is a significant risk of missing it, if the next government fails to make robust and coordinated implementation commitments.

Brazil can consolidate its leadership in the energy transition and accelerate economic industrialisation, reducing costs and risks. To achieve this, the next government must: (i) establish a Roadmap for the progressive replacement of fossil fuels with renewable energy sources and electrification; (ii) unlock obstacles to transmission and storage capacity to harness already available renewable energy; (iii) align energy and industrial policy to create demand for renewables and green jobs.

The international scenario calls for urgency. Growing geopolitical tensions, regional wars, trade disputes, and extreme volatility in oil and gas markets have made evident what the sector was already signalling: fossil fuels are, by nature, intermittent in terms of supply and price. Renewable energies, on the other hand, are the strategic shield that protects national economies from external shocks and reduces exposure to markets that Brazil does not control. The variability of renewables is a manageable technical challenge, while the instability of oil is structural and permanent. The volatility of fossil fuels threatens prices and energy security; renewables reduce macroeconomic risk and strengthen sovereignty.

The energy transition is not a peripheral environmental agenda; it is a pillar of **energy and food sovereignty, and national security**. Abundant and accessible renewable energy is a condition to produce green fertilisers (ammonia and nitrogen), essential for national agriculture. International organisations point to a real risk of shortages of agricultural inputs if Brazil does not expand its supply of renewable energy sources.¹ According to FAO projections, the country will need to double its agricultural production by 2050² to meet the needs of a world population of 10 billion people. For instance, the current shutdown of irrigation systems due to lack of energy is a concrete obstacle to this goal.

Brazil has unique conditions to lead this agenda. In 2025, the country attracted approximately US\$38 billion in investments in renewable energy³, employed about one million people in the sector, and maintained an electricity matrix made of more than 90% renewable sources. The regulatory progress has been consistent, with the Legal Framework for Low-Carbon Hydrogen (Law 14.948/2024), the Sustainable Fuels Program (Law 14.993/2024), the Brazilian Emissions Trading System (Law 15.042/2024), the Energy Transition Acceleration Program (Law 15.103/2025), the Electricity Sector Reform (Law 15.269/2025), the Regulatory Framework for Offshore Wind Power (Law 15.097/2025), and the National Policy for Access to the Transmission System (Decree 12.772/2025). These form a solid foundation for the next government to further advance decarbonisation and prevent backsliding.

Despite this, in 2025 Brazil registered a concerning slowdown in the pace of new investments in renewables.⁴ The reasons are known: restrictions in transmission infrastructure, auctions with unfavourable conditions, and the absence of price signals

that stimulate energy efficiency and flexibility of supply and demand. These issues need to be addressed.

The cost-effectiveness of renewable energy is a ***sine qua non* condition** for the survival of industry. Without it, there is no production chain, no jobs, and no export of green products. Brazil is progressively losing strategic comparative advantages, especially for green hydrogen and industrial electrification, while competing countries move forward in these sectors. **This scenario demands clear policies and immediate implementation.**

A persistent misalignment exacerbates the unfavourable situation; in 2024, fossil fuels gathered approximately **R\$47 billion** in subsidies (71.6% of the total), compared to **R\$18.65 billion** allocated to renewable sources.⁵ For every R\$1 invested in clean sources, approximately R\$2.52 are still directed to fossil fuels. This framework contradicts the commitments made by Brazil at COP30, to develop a roadmap on the transition away from fossil fuels, alongside more than another 80 nations. To get on track, a **national Roadmap** is needed: a binding timeline for a managed and progressive transition away from fossil fuels in the energy mix with a corresponding increase in renewables and electrification, clear public targets, and reallocation of public resources.

Along with the structural priorities of the electricity sector, four new areas demand the attention of the next government. Should Brazil choose to develop data centres and artificial intelligence infrastructure, ensuring these are powered by renewable energy could help create qualified, long-term demand for clean electricity, while supporting the attraction of high-value international technology investments. **Green hydrogen**, in turn, emerges as a strategic vector and a source of extra energy demand for the country's reindustrialisation, with strong synergy in the creation of production chains for green steel, fertilizers, and sustainable fuels. **The carbon market is a growth lever that needs to be accelerated,⁶ and the integration of the agricultural sector** into the energy transition is urgent. The demand for energy in the countryside is suppressed, and expanding the renewable supply for agribusiness is simultaneously guaranteeing production, income, and food sovereignty.

At the same time, it is fundamental to consider the competitiveness of Brazilian industry, which, given adequate price signals, could advance in its decarbonisation through the electrification of production processes, significantly expanding the demand for renewable sources.

Based on this diagnosis, we present six priority areas for the next federal government:

- **Expand and modernise transmission and distribution infrastructure**, ensuring alignment between planning, investment, and execution – including storage solutions in all their forms: chemical batteries, hydraulic storage, and pumped-storage hydroelectric plants (PSHP), essential technologies for the flexibility and sovereignty of the electricity system;
- **Ensure regulatory predictability and institutional stability**, with clear, coherent, and lasting frameworks – complemented by risk mitigation mechanisms, strategic guarantees, and stimulus to a sustainable capital market, in line with internationally recognized green taxonomies;

- **Align energy policy and industrial policy**, positioning the transition as a driver of economic industrialisation, strengthening national production chains, structured long-term financing, and the development of logistics and port corridors for the export of high value-added green products and solutions;
- **Create and structure demand for the zero-carbon economy**, enabling the electrification of suitable sectors, the development of new consumer markets for lower-emission products, and the enhancement of environmental attributes, with a direct impact on competitiveness and energy security;
- **Promote greater efficiency and economic rationality in the electricity sector**, guaranteeing adequate financing conditions, integration of new technologies, and long-term sustainability of the system, including remuneration mechanisms for storage, demand response, and coordinated planning between generation and transmission;
- **Review all fossil fuel subsidies**, covering both production and consumption, and create a national Roadmap for transitioning the energy matrix away from fossil fuels, with a binding timetable, public targets, and reallocation of resources to renewables, electrification and energy efficiency, in line with the commitments made at COP30.

To operationalise these initiatives, we call on candidates to make concrete commitments to implement the following measures in their government plans:

- Create a national Roadmap for the transition away from fossil fuels in the energy matrix, with binding targets and a public timeline;
- Implement structural and regulatory solutions to reduce operational constraints on the system, ensuring the best use of already available renewable energy;
- Prioritise energy storage as a strategic vector, including batteries, hydroelectric storage, and high-resolution hydropower in contracting mechanisms, with approved regulations and equivalent tax treatment;
- Strengthen the integration between energy and industry, with logistics corridors, green ports, and modernisation of lower-emission transport modes;
- Institutionalise a permanent mechanism for dialogue with the renewable sector, with high-level coordination governance between energy, industry, agriculture, environment, and foreign trade;
- Prioritise the green hydrogen industry and its derivatives, creating qualified and long-term electricity demand and contributing to mitigating the oversupply of renewable energy, while acting as a vector for economic industrialisation, with green steel and e-fuels chains, and food security, through the production of green fertilizers;
- Value and strengthen regulatory agencies, expanding their technical and personnel capacity.

The next government cycle will determine whether Brazil consolidates its position as a global leader in the energy transition or retreats before competitor countries who are advancing without hesitation. The natural, regulatory, and institutional conditions are in place. What is lacking is political will and a commitment to implementation.

The renewable energy sector is ready to be an active partner of the next government, with data, analysis, and execution capacity. We reiterate our willingness to contribute technically and await the formal commitment of the candidates to the priorities presented here.

Sincerely,

The undersigned organisations



References

- 1 Nature Food (2025) — "Low-carbon ammonia production is essential for resilient and sustainable agriculture".
- 2 FAO (2023). The Future of Food and Agriculture: Drivers and Triggers for Transformation. Rome.
- 3 BloombergNEF (2026). Energy Transition Investment Trends 2026.
- 4 Sectoral data consolidated by Perspectivas Consultoria and signatory entities (2026).

⁵ *Instituto de Estudos Socioeconômicos - Inesc (2025). Subsídios às Fontes Fósseis e Renováveis (2023–2024)*, 8th edition. Values in Brazilian Reals (R\$); ratio of R\$2.52 fossil fuels for every R\$1 in renewables.

⁶ Ministry of Finance – Secretariat of Economic Policy (2025). *Brazilian Carbon Market: Regulatory Advances*.