

CAPABILITIES

DECARBONIZATION

With a predominantly renewable energy matrix and abundant natural resources, Brazil is uniquely positioned to spearhead the production of sustainable fuels, advance carbon capture and storage (CCS) technologies, and implement innovative naturebased solutions. This strategic advantage enhances Brazil's role in the global energy landscape and also underscores its commitment to sustainability and environmental responsibility





Paris Agreement guidelines, presents a significant opportunity for the growth of low-emission sectors. This regulatory framework encourages investment in sustainable practices and enables businesses to capitalize on evolving market dynamics. However, substantial challenges persist, including the high costs of implementation and international uncertainties surrounding the Carbon Border Adjustment Mechanism (CBAM)

The establishment of a regulated carbon market, aligned with the

OUR TAKE ON INDUSTRY TRENDS

climate change, and Brazil is poised to play a decisive role in this transformation.



the potential to lead in the production of sustainable fuels, carbon capture and storage (CCS) technologies, and nature-based solutions. Initiatives such as reforestation, ecosystem restoration, and sustainable land management present effective strategies for carbon removal and generating carbon credits, positioning Brazil as a key player in the global carbon market. The establishment of a regulated carbon market, which is currently under legislative consideration,

alongside the implementation of Article 6 of the Paris Agreement, expands opportunities for the

growth of sectors focused on low-emission fuels, low-carbon hydrogen, and natural solutions

that mitigate emissions. Industries traditionally viewed as difficult to decarbonize, including

With its predominantly renewable energy matrix and abundant natural resources, Brazil has

steel, cement, and chemicals, are beginning to explore innovative technologies such as Carbon Capture, Utilization, and Storage (CCUS). Meanwhile, nature-based solutions complement these advancements by providing sustainable avenues for carbon sequestration. Nonetheless, significant challenges remain. Clear regulations for the carbon market are essential, and the Brazilian industry must navigate the high implementation costs of technologies like CCS while addressing uncertainties regarding competitiveness in light of international environmental

nature-based solutions requires robust economic incentives and the integration of these projects at a larger scale to ensure measurable impacts on emissions mitigation. Brazil can lead the transition to a low-carbon economy while fulfilling its climate commitments upon effectively combining technological innovations with nature-based strategies.

regulations such as the Carbon Border Adjustment Mechanism (CBAM). Additionally, scaling up

preservation, reinforcing its position as a global leader in decarbonization efforts.

The synergy of public policies, technological advancements, and the sustainable management of

its vast natural resources will enable the nation to harmonize economic growth with environmental

Development of the regulated carbon market → CCUS: Projects in intensive industries

OPPORTUNITIES

- → Brazil as a global hub for hydrogen production → Integrating nature-based solutions with mitigation
- technologies such as BECCS → New international markets

→ Lack of predictability regarding the structuring of the carbon market

CHALLENGES

- Pricing in the industrial sector vs competitiveness Pressure on exporters, with taxes and environmental barriers, such as CBAM
- → Regulatory vacuum, notably CCUS, regulated market, and Hydrogen → High cost of implementation and decarbonization
- infrastructure → Scalability of natural solutions and their economic impacts

Growth in demand for carbon credits from the voluntary market → Accelerated adoption of carbon capture technologies in hard-to-abate sectors

carbon market

generated

MACROTRENDS

→ Expansion of Brazilian projects for nature-based solutions → Regenerative practices and bioenergy with carbon capture

▼ Identifying opportunities and challenges in the Brazilian Emissions Trading System

with regulations and maximizing opportunities within an increasingly regulated market

Structuring and development of sustainable fuel and carbon credit projects

→ Setting climate targets focused on mitigating GHG emissions through regulated markets

WORK HIGHLIGHTS

▼ Contracts and agreements: facilitating the generation of carbon credits We offer specialized support in the preparation and negotiation of contracts and memorandums of understanding aimed at the generation and commercialization of carbon credits. Our work ranges from the structuring of projects to the closing of commercial agreements, ensuring that all legal, regulatory, and commercial aspects are duly aligned to maximize the value of the credits

credits. Our work is focused on ensuring that the company is well positioned in the face of new regulations and requirements of the

We provide ongoing strategic support to our clients to identify business opportunities, regulatory barriers, and carbon market

impacts in various sectors, such as the production of low-emission fuels, hydrogen, and projects aimed at generating carbon

▼ Due Diligence on carbon credits, ensuring compliance and certification We provide specialized support in due diligence of areas for projects that aim to generate carbon credits, ensuring compliance with the requirements necessary for credit certification. Our work also includes the evaluation of contract drafts, ensuring alignment with regulatory and environmental standards. In addition, we carry out an in-depth analysis of the legal requirements present in the voluntary carbon market methodologies, ensuring that these requirements are adequately reflected in the project structure Education

We provide specialized support in training and literacy for internal teams of various clients, preparing them to understand and

navigate the challenges and opportunities of the carbon market. Training aimed at developing skills that enable strategic alignment

Advocacy

We offer specialized support in monitoring, evaluating, and preparing contributions in public consultations involving the development of carbon credit projects, whether at the national or international level, in voluntary market programs and methodologies, or contributions to the regulation of Article 6 of the Paris Agreement

We provide legal and strategic support for the structuring and development of sustainable fuel production projects, with the

compliance with the requirements necessary for the certification of carbon credits. We also assist in the evaluation of draft

expectation of issuing carbon credits. Our work includes specialized support in Due Diligence of the areas to be used, ensuring

contracts, ensuring that they are aligned with regulatory and environmental standards. In addition, we carry out an in-depth analysis

of the legal requirements present in the methodologies of the voluntary carbon market, ensuring that these requirements are adequately reflected in the structure of the projects, promoting compliance and maximizing opportunities in the carbon credit market

Our team worked on an innovative carbon capture and geological storage project, focused on biogenic capture sources, addressing the technical and regulatory challenges of this type of operation. We provided full support in building the project's risk matrix, covering aspects such as technical, regulatory, and financial uncertainties, in addition to developing risk mitigation strategies. We also provided advice on drafting and negotiating several legal instruments necessary to make the project viable, including investment agreements between different stakeholders and the development of Brazil's first Joint Operating Agreement (JOA) for the injection of CO₂ into geological reservoirs

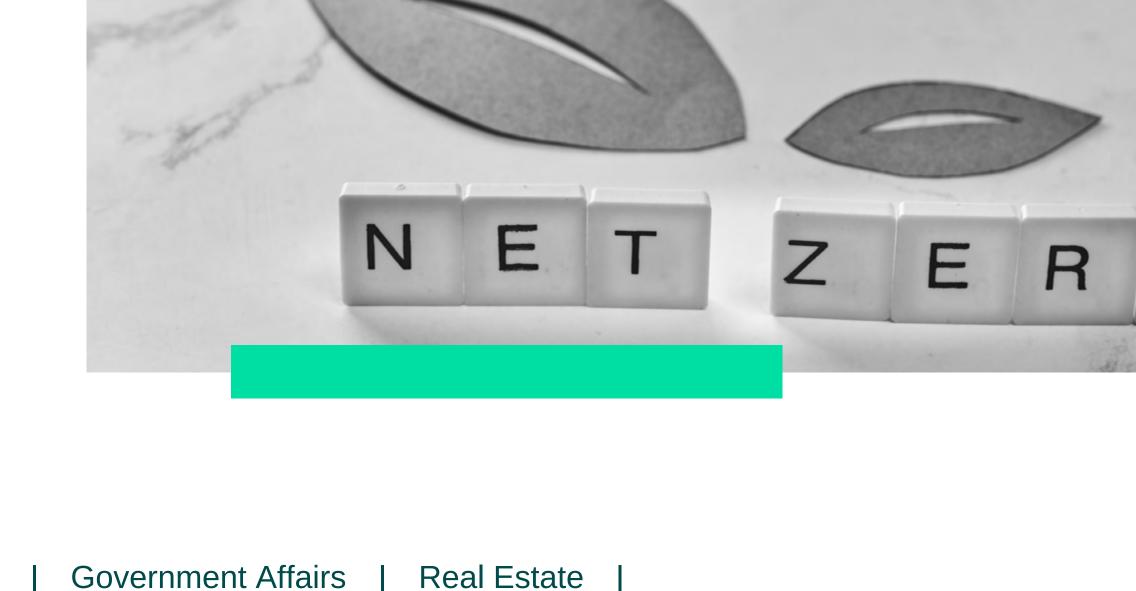
A cross-sector and multidisciplinary team specialized in the sector

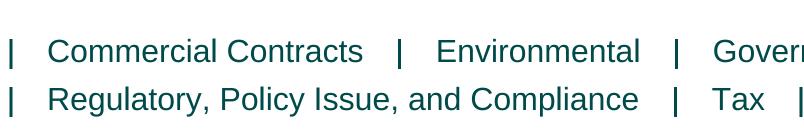
AREAS OF

Carbon capture and geological storage

PRACTICE

Leading practice in commercial contracts, government affairs, regulatory, policy issues, and compliance





GET TO KNOWN OUR PARTNERS



Partner

São Paulo

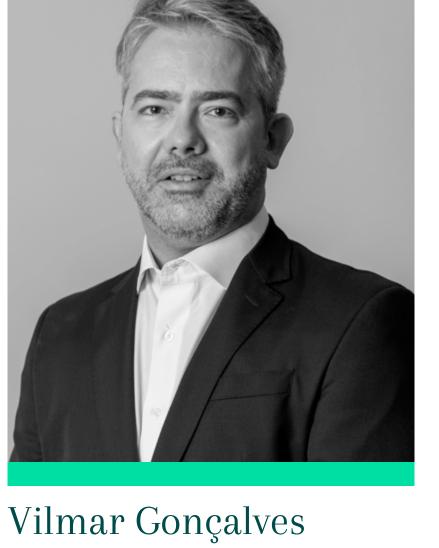


Partner

Rio de Janeiro



Rio de Janeiro



Partner Rio de Janeiro