

Microsoft
Government Affairs Brazil
Public Affairs Council
Sept 10th, 2026

Population 212,583,750

7th in the world.
The largest in Latin America.

Area
8,515,767 sq. km

5th largest country in the world.
Almost size of Europe.

Administrative structure
26 States + Federal District

Language
Portuguese 5% speak English

Environment & energy 2024

88.2% renewable electricity
24% wind and solar

Carbon Credit Market

+55 million tons of CO₂ equivalent (offset emissions)

Sources: 2025 National Energy Balance | Systemica, 2025

Disinflation is finally underway, but the fiscal gap widens into a coin-toss October election

+2.0%

2026 GDP growth
Central Bank forecast

5.23%

IPCA inflation
12 months to July

14.00%

Selic policy rate
After July cut

R\$5.12

USD/BRL spot
Year-end est. R\$5.20

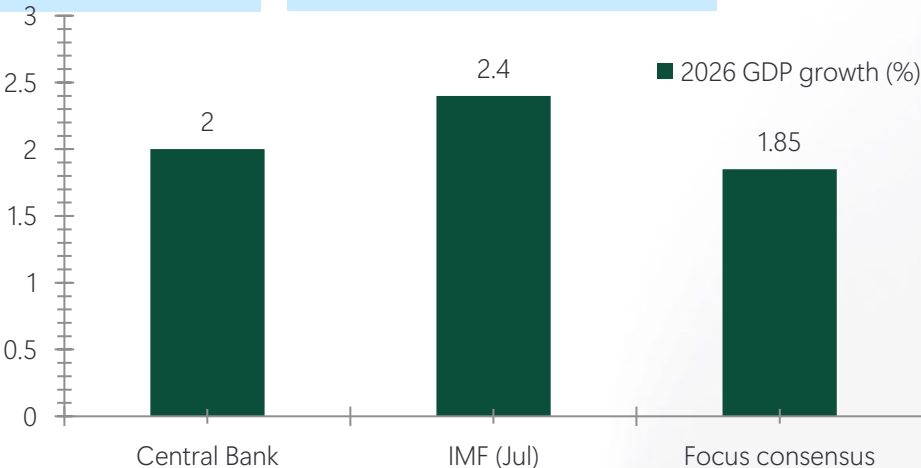
5.4%

Unemployment
Quarter to June

Fiscal drag: gross general government debt reached 81.1% of GDP in May 2026, with a nominal deficit near 9.4% of GDP.

GDP 2025
R\$ 12.6 trillions (USD 2.3T) +3.6%

IBGE



FY27 priorities

Supporting innovation

- Clear the legal blockers for Microsoft to responsibly innovate faster
- Ensure AI innovation can advance across the economy
- Define a vision for where law and regulation should go in an Age of AI (IP, Trade, Competition)
- Maximize the impact of the AI for Good Lab
- Preserve Microsoft's ability to innovate in Washington State

Driving diffusion

- Build the infrastructure needed for AI diffusion
- Build a better future for AI and jobs
- Help close the AI divide in the Global South
- Ensure fair competition in the AI marketplace

Sustaining trust

- Advance our digital sovereignty agenda
- Strengthen cybersecurity protection
- Strengthening trust in the information ecosystem
- Support Responsible AI
- Protect the privacy of our customers
- Strengthen the protection of children
- Advance our sustainability goals

Underpinning capabilities and culture

Build the premier AI-empowered department of the future · Professional Development: Better Talent, Happier People, Stronger Results · People Managers as the Enablers of Change

Digital Policy Stack

Cloud and AI Adoption

- Brazilian Strategy for AI
- Brazilian AI Plan
- E-Digital
- Digital Gov Law
- Digital Government Strategy
- Innovation Strategy
- New Industry Policy
- Digital Public Infrastructure
- AI Economy

AI Regulation

- AI Bill 2338/23
- Copyright AI Bills
- Facial Recognition
- AI Safety Institute

Platform Regulation

- Digital Safety: Children and Adolescents Online
- Fake News Bill of Law
- DMA Draft Bill
- DSA Proposal
- Electoral Resolution
- Internet Law & Supreme Court Case Intermediary Liability

Data Protection Regulation

- Data Protection Law
- DPA Regulation
- Inter. Data Transfer Regulation
- Personal Data and AI
- Anonymization Resolution
- Data Economy Plan
- DPO Resolution
- Children and Adol. Data

Cybersecurity & Critical Infra

- Cybersecurity National Law
- E-cyber-Strategy
- Cyber Agency
- Critical Infra Policy

Sovereignty & Government Cloud

- GSI Ordinance 5
- Government Cloud Regulation
- Sovereignty Bills
- National AI & LLMs

Datacenter Policy

- Datacenter Incentive Plan (REDATA)
- Cloud Resiliency Req.
- Sustainability Req.
- Energy Supply

Cloud & AI Procurement

- New Procurement Law
- SGD Cloud First IN01
- SGD ICT IN05
- Sec. of Digital Gov. Price List

Innovation

- Open Data Policy
- Data Economy Policy
- ICT Innovation Funding & Innovation Plans

Telecom

- Network Fees (Fair Share)
- Subsea Cables Coalition
- Datacenter Resiliency
- Cybersecurity in Telecom
- AI Sectoral Regulation
- Telecom Agency as Digital Regulator

Skilling & Education

- National Education Plan
- AI & Digital Skills Curriculum
- State Education Plans
- Skilling Partnerships

Sustainability

- Paris Agreement (NDC)
- AI for Good
- Carbon Market Regulation
- Energy Transition Policy
- Ecological Transition Plan
- Green Datacenters Policy



Key risks to Microsoft

1

Protectionist "digital sovereignty"

Data localization, forced local processing and national-provider preference in procurement — plus digital-services taxation and energy/water/siting scrutiny on infrastructure.

3

Continuous cybersecurity pressures

Localization/certification demands, heavy incident-reporting and fragmented rules amid rising threats and a critical-infrastructure agenda.

5

Electoral politicization

Big Tech used as a campaign target — reputational spillover and pressure for regulatory overreach through the cycle.

2

Prescriptive AI rules

Bill 2338/23 drifting toward an EU-style, high-compliance model with broad high-risk classifications that slow AI diffusion.

4

Expanding digital-safety regime

ECA Digital (Law 15.211/2025) regulation with broad obligations and age-assurance, Alongside wider platform-regulation expansion.(new decrees



Opportunities for Microsoft

Digital transformation of the State

Public-sector AI and GovTech to modernize services — health, education, justice, tax — the efficiency the fiscal debate needs.

Digital infrastructure & sovereignty

Position local infrastructure, sovereign cloud and data residency as the credible answer to sovereignty.

Government partnerships

Deep, trusted partnerships with federal and state governments across the priority agenda.

National AI skilling

Election-proof, cross-party goodwill: AI-fluency at national scale with education and labor authorities.

Cybersecurity leadership

The trusted security partner amid rising threats and a critical-infrastructure agenda.

Sustainability edge

Clean-energy-powered cloud aligned with Brazil's energy matrix — the energy-and-water narrative as an advantage.



Managed themes — where we steer

Data Centers & Digital Infrastructure

A positive agenda focused on investment, job creation, and clean energy. Advance a positive digital infrastructure agenda across government.

Digital Markets

Direct interest but contained via due process and proportionality.

- Bill 4675/25

Privacy & Data Protection

Mature regime; steer the AI–privacy interface with ANPD.

ECA Digital & Digital Safety

Already law; shape the regulation, not the statute.

- Age assurance on OS and app stores
- Loot boxes prohibition

Sustainability

Reputational and aligned with Brazil's clean-energy advantage.

- Carbon Market regulation

Digital Skilling & Education

Always-on goodwill lever with low regulatory risk.

- National Education Council initiatives on the use of AI in education.