The impact of the 2014 World Cup on Brazilian Federal Law
Context

Brazil’s emerging democracy
Various political systems and six constitutions throughout the Republic
Heterogeneous society
Political and legislative legacies

World Cup learning experience for our young democracy

Defining limits of government participation

Non-interference in the independence of the three federal spheres to enact legislation

Public spending oversight and accountability

Public participation (engaged news media, organized civil society entities, popular movements)

Important innovations in legislation
Government Guarantees

Executive Branch commitment in 2007
Required Legislative Branch approval
Government Guarantees

1. Entry and Exit Permits
2. Work Permits
3. Customs rights and taxes
4. General tax exemption for FIFA
5. Security and Protection
6. Banks and Currency Exchange
7. Immigration, Customs and Check-in procedures
Government Guarantees

- 8. Protection and Use of Commercial Rights
- 9. National Anthems and Flags
- 10. Compensation
- 11. Telecommunication and Information Technology
World Cup Federal Laws

- FIFA Tax Exemption Law (2010)
- Differenciated Contracting Regime Law (2011)
- General Law of the World Cup (2012)
FIFA Tax Exemption Law

- Law 12,350/210
- Broad Tax Exemption to FIFA and associates
- Constitutional Challenges
  - Principle of Equity
- Deadline for accountability statements
Differentiated Contracting Regime (RDC) Law

- Enacted to boost efficiency of contracts
- Not among the government guarantees
Differentiated Contracting Regime (RDC) Law

- Law (12,462/2011)
- Differentiated Public Contracting Regime
  - Reduced timetables
  - Waiver of basic project design as prerequisite for contracting bid.
  - Public bid, not sealed
Differentiated Contracting Regime (RDC) Law

- Constitutional Challenges
  - Petitioners
    - Opposition parties
    - Office of the Attorney-General of the Republic
  - Unconstitucional
    - Waiver of basic engineering design
    - Objective selection process more difficult
Differentiated Contracting Regime (RDC) Law

- Legislative Legacy
  - Beginning of debates on amendments to public contracting regime
  - Extended to other procurements
    - Health and Education System
  - Positive or negative?
General Law of the World Cup

- Five of eleven government guarantees
- Wide media attention and contentious debate in Chamber of Deputies
  - Many unprecedented concessions for an international entity
  - Impact on consumers and fans
General Law of the World Cup

• Ticket Price Controversy
  - FIFA authority to set ticket prices
  - Traditional discounts for population segments under Brazilian Federal and state laws
  - Fans
    • affordable ticket prices
    • “The World Cup, for whom?”

  - Solution: 300,000 affordable tickets to Brazilian residents, priority to students, individuals above than 60, recipients of federal income program transfers
General Law of the World Cup

• Alcoholic Beverages at Event Venues
  – Authority of individual states to regulate alcohol consumption at sporting events
  – FIFA’s interest in guaranteeing sponsor contracts
  – Inclusion of express authorization for alcohol consumption in the bill
  – Opposition of Evangelical Caucus and groups concerned with violence at stadiums
  – Solution: Left to individual states
General Law of the World Cup

• Legacy
  - Interest of lawmakers in allocating a portion of World Cup revenues to sport infrastructure projects
  - Missed opportunity
  - Solution: recommendation for voluntary contribution from FIFA
General Law of the World Cup

- Consumers rights
  - FIFA discretion to regulate ticket sales
  - Provisions of Consumer Protection Code
  - Some consumer rights regularly guaranteed to Brazilians not fulfilled at World Cup
General Law of the World Cup

- Civil Liability
  - Liability of Union for civil damages arisen from any security event or incident
  - Liability challenged before Supreme Court
  - Security incidents at 2013 Confederations Cup
Conclusion

• Legislative legacy
  - Start point to changes in public procurement process

• Political legacy
  - Football and our identity
  - Political empowerment
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Thank you

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