

FAQ: Setting the record straight

So far, the World Cup in Brazil has cost \$15 billion USD. The taxpayers have footed the bill, FIFA hasn't spent anything.

FIFA has covered the entire operational costs of the World Cup to the tune of around \$2 billion USD. We don't take any public money for this, and instead we only use the money generated by the sale of World Cup TV and marketing rights. In terms of the host country's investments, the figures quoted often include investments in infrastructure that are not directly linked to the cost of the World Cup and some have not even been made for the World Cup. The country will benefit for many years to come from investments in road networks, airports or telecommunication systems, and as such they are not solely World Cup-related costs.

Money that has been invested in stadiums is now missing from the budget for education and health.

President Rousseff, speaking two weeks before the World Cup, stressed that the state budget for education and health will not be affected by the Brazilian Development Bank's loan for the stadiums (just 0.16 per cent of Brazil's GDP).

FIFA ordered Brazil to build 12 expensive stadiums.

FIFA neither demands that a country has to build 12 stadiums, nor how they are to be designed. There are some basic guidelines to follow so that the stadiums meet the requirements and expectations of the teams, security officers and the media, but first of all, each Host Country has to decide whether it wishes to use eight, ten or 12 stadiums. Brazil opted for 12. Each Host Country also has to design their stadiums in such a way that allows them to be used in a sustainable manner over the longer term. Only then is consideration given to any modifications that may need to be made for the World Cup, with both parties working together to find the best possible solution.

The tickets are so expensive that most Brazilians can't afford them.

Compared to other major events (Olympic Games, Formula 1, tennis tournaments, pop concerts, etc.), there are many cheap tickets available for the World Cup. For the group-stage matches, for example, tickets were available to Brazilians for as little as \$15 USD. FIFA has also given 100,000 tickets, free of charge, to the builders working on the stadiums as well as to the socially disadvantaged. Of the 11 million requests for tickets, some 70 per cent were placed by Brazilians, and 58 per cent of the 2.7 million tickets purchased to date have also been bought by Brazilians.

FIFA demands a full tax exemption for its sponsors, which means that the host country doesn't make any money.

FIFA does not make any demands for a general tax exemption for sponsors and suppliers, or for any commercial activities in the host country. Instead, FIFA only requires an easing of customs procedures for some materials that need to be imported for the organisation of the World Cup and that are not on sale in the host country (e.g. import of computers to be used by FIFA or the LOC), import of electronic advertising boards (and subsequent export), import of footballs to be used during the World Cup, and which will either be used during the event and then re-exported, or donated to an institution linked to sport in the host country. All of these exemptions are comparable in scope to

those requested by organisers of other sporting or cultural events.

Of the \$2 billion USD that FIFA spends on the World Cup, around \$1 billion USD is spent on services in Brazil – in other words, money that is injected directly into the Brazilian economy. Even though FIFA is very cautious with economic prognoses, the Brazilian Economic Research Foundation is expecting the World Cup to generate additional income for the Brazilian economy of around \$27.7 billion USD.

FIFA only wants to make a profit; it doesn't care about anything else.

FIFA is an association of associations with a non-commercial, not for profit purpose that uses significant funds in the pursuit of its statutory objectives, which include developing the game of football around the world, organising its own international competitions, and drawing up regulations for association football while ensuring their enforcement. So the question is: what does FIFA do with the profits from the World Cup?

In short, all 209 member associations will benefit in equal measure. In fact, FIFA spends \$550,000 USD on worldwide football development – every single day. What is more, we also spend nearly \$2 million USD on organising international competitions – every single day.

The host country is left alone to deal with its social, economic and ecological problems.

FIFA is fully aware of – and fully accepts – its social responsibility as part of the World Cup. In **2006**, the World Cup in Germany was the first to have a comprehensive environmental programme. Then, in **2010**, FIFA launched *Win in Africa with Africa*, an initiative to develop sustainable football infrastructure across Africa at a cost of \$70 million USD. On top of that, \$12 million USD was invested in a number of social projects, and the 2010 FIFA World Cup Legacy Trust was founded after the World Cup with a further \$100 million USD to promote social development in South Africa long after the World Cup and to support initiatives that use football to drive social development. It is fair to say that South Africa is still benefitting from hosting the World Cup in 2010.

As far as the **2014** World Cup in Brazil is concerned, FIFA unveiled a complete sustainability strategy nearly two years ago, focusing on environmentally-friendly stadiums, waste management, community support, reducing and offsetting CO₂ emissions, renewable energy, climate change and knowledge transfer. FIFA strategy is based on international standards such as ISO 26000 and the Global Reporting Initiative (GRI) as well as on the development policy of the Brazilian government. Once again, FIFA is supporting a wide range of social projects, has launched a nationwide health initiative, and is organising a "Social World Cup" at which 32 social organisations will take part in their own World Cup.

Additional measures will be implemented in the areas of health, infrastructure and women's football as part of the 2014 FIFA World Cup Legacy Trust.

FIFA believes that its social responsibility is a crucial element of the sustainable success of its events, but the World Cup can only be used as a tool or as a catalyst for change in a country if everyone involved pulls in the same direction as part of a global strategy.

FIFA is responsible for forced evictions in Brazil.

FIFA has never demanded any such evictions. FIFA has received in writing from the Federal Government and the Host Cities that for none of the 12 stadiums constructions or renovations, somebody had to be evicted or moved.

FIFA drives out street traders to ensure the sponsors' exclusivity.

On the contrary, FIFA works hard to ensure that street traders are part of the World Cup. In the immediate stadium environment, however, security concerns mean that there is an area that only people with match tickets or accreditations can enter. Therefore FIFA, building upon the experiences gained at the World Cup in South Africa, sat down from the very start with the local authorities and World Cup Host Cities (who are ultimately responsible for trader activities) to put special programmes in place for traders.

In the majority of Host Cities, street traders who were already working around the stadiums have been registered and will therefore be able to work close to the stadiums and the FIFA Fan Fests™ during the World Cup. The traders have also received special training, a uniform and an accreditation that allows them to sell authorised products. By way of example: Sao Paulo, the Host City for the opening match, currently has a total of 600 registered street traders in the vicinity of the FIFA Fan Fest™ and the Arena de Sao Paulo. This is a standard procedure that is necessary, particularly in the interests of safety, for major events. A similar accreditation process was also in place for the Olympic Games in London and Vancouver, for example. It also helps to ensure that fake products are not sold in contravention of both Brazilian and international law.