

2014 World Cup in Brazil

The FIFA World Cup is the world's biggest sporting event. Also, it becomes a major business and investment event in the year it is held. The 2014 World Cup, to be held in Brazil, will provide the country with an enormous set of investments and economic advancements, which will remain as a legacy to the Brazilian population after the event.

Brazil was announced as 2014 World Cup host-country on October 20, 2007. This is the second time the country will host the event – the first time was in 1950.

A study ordered by the 2014 World Cup Consortium, commissioned by the Ministry of Sports, points out the sectors to be most positively affected by the mega-event and tries to quantify the benefits to the country.

Economic Impact

Between 2010 and 2014 – the period in which the largest investments required for the organization of the World Cup are expected to be made –, the total economic impact fostered by the World Cup hit the US\$ 100 billion mark – of which US\$ 26 billion are direct (26%) and US\$ 74 (74%) are indirect.

The Brazilian Gross Domestic Product will be incremented by US\$ 25.9 billion (0.26% added, considering the country's average GDP). Another US\$ 18.02 billion will be invested in infrastructure alone, 78% of which will be financed by the public sector.

The major investment areas are airports, urban mobility, hospitality and tourism, stadiums, and workforce qualification.

Priority investment areas:

- **Ports:** US\$ 380 million
- **Airports:** US\$ 2.62 billion. Modernization of 16 airports connected with the 12 host-cities.
- **Urban mobility** (*access to hotels and stadiums*): US\$ 6.28 billion in resources financed by Caixa Econômica Federal to be applied in 47 projects. 85% of mobility intervention will be on bus/Bus Rapid Transit (BRT) and rail transportation.

- **Stadiums:** BNDES credit line of up to 75% of the project value, limited to US\$ 218.5 million per stadium. Repayment term is 15 years, with a 2-year grace period.
- **Hospitality and Tourism:** BNDES credit line of up to US\$ 546 million) to build and remodel hotels. Resources from Financing Constitutional Funds for North, Northeast and Center-West to build, expand and remodel hotels. US\$ 170.5 million out of total US\$ 546 million are to be invested in the Northeastern region.
- **Workforce qualification:** US\$ 240.44 million for 306,000 workers who will be in direct contact with tourists. Professional training for 80,000 people before the World Cup (23,000 are in training right now) with a US\$ 7.59 million investment

Tourism and Employment

Some 600,000 foreign tourists are expected to visit the country during the World Cup period, with total movement of US\$ 2.13 billion in the Brazilian economy. Domestic tourists shall total 3.1 million, with circulation of additional US\$ 3 billion.

With all the opportunities arising from the event, over 710,000 job posts will be added. 49% Almost half of those jobs will be permanent (between 2010 and 2014), while 51% will be temporary (during the World Cup period).

With so much investment in the economy and increased job opportunities, Brazil will experience an elevated increment in Brazilian family income: US\$ 2.78 billion are to be spent with the World Cup by the population between 2010 and 2014. The new job posts will provide additional consumption opportunities to the tune of US\$ 2.73 billion in the period.

Tax collection gains will also be relevant to the country:

- Tax collection: US\$ 9.18 billion
- Federal taxes: US\$ 5.79 billion (63%)
- Tax exemption for the event: US\$ 273.2 million

The Host Cities

The country will feature 12 World Cup host-cities:



Additional figures on the host-cities:

Belo Horizonte

State - Minas Gerais

HDI* - 0.839

GDP* - US\$ 17.87 billion

Population - 2,452,617 (IBGE 2009)

Brasília

Distrito Federal

HDI - 0.844

GDP - US\$ 49.01 billion Population - 2,606,885 (IBGE 2009)

Cuiabá

State - Mato Grosso

HDI - 0.821

GDP - US\$ 3.88 billion

Population - 550,562 (IBGE 2009)

Curitiba

State - Paraná

HDI - 0.856

GDP - US\$ 16.28 billion

Population - 1,851,215 (IBGE 2009)

Fortaleza

State - Ceará

HDI - 0.786

GDP - US\$ 12.29 billion

Population - 2,505,552 (IBGE 2009)

Manaus

State - Amazonas

HDI - 0.774

GDP - US\$ 17.4 billion

Population - 1,738,641 (IBGE 2009)

Natal

State - Rio Grande do Norte

HDI - 0.788

GDP - US\$ 4.09 billion

Population - 806,203 (IBGE 2009)

Porto Alegre

State - Rio Grande do Sul

HDI - 0.865

GDP - US\$ 15.24 billion

Population - 1,436,123 (IBGE 2009)

Recife

State - Pernambuco

HDI - 0.797

GDP - US\$ 10 billion

Population - 1,561,659 (IBGE 2009)

Rio de Janeiro

State - Rio de Janeiro

HDI - 0.816

GDP - US\$ 69.95 billion

Population - 6,186,710 (IBGE 2009)

Salvador

State - Bahia

HDI - 0.805

GDP - US\$ 12.09 billion

Population - 2,998,096 (IBGE 2009)

São Paulo

State - São Paulo

HDI - 0.841

GDP - US\$ 154.53 billion

Population - 11,037,593 (IBGE 2009)

* *Gross Domestic Product (GDP)*

* *Human Development Index (HDI)*

The document "**WORLD CUP IN BRAZIL ECONOMIC IMPACT**" is available in English in this electronic press kit.

In Portuguese, it is available at:

<http://www.esporte.gov.br/arquivos/assessoriaEspecialFutebol/copa2014/estudoSobreImpactosEconomicosCopaMundo2014.pdf>

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