



HUMAN AND LABOR RIGHTS IN THE 2026 FIFA WORLD CUP

A Roadmap for Civil Society
Engagement in Mexico

November 2020



Empower, LLC (www.empowerllc.net) was commissioned by Open Society Foundations (OSF) to produce this report. Any additional use or reference to the content of this document must be made with prior notification to Empower at the following email address: info@empowerllc.net

November 2020

Table of Contents

Executive Summary	6
1. Human Rights and FIFA World Cups	13
1.1 Defining a Common Objective	14
1.2 Methodology	15
2 Human Rights in Sports: The Promise of the 2026 FIFA World Cup	16
2.1 FIFA’s Human Rights Responsibility	16
2.2 The United 2026 Bid as an Opportunity	18
2.3 The 2026 FIFA World Cup Life Cycle	19
3. Key Actors in the 2026 FWC	29
3.1 Overview of Event Organizers	29
3.2 FIFA	32
3.3 Football Associations	35
3.4 Host Governments	41
3.5 Stadium Owners	44
3.6 Sponsors and Marketing Affiliates	47
3.7 FIFA Business Partners	49
3.8 Responsibility for Human Rights and Sustainability	51
4. Supply Chain Accountability	53
Sectors Centered around FIFA and Business Partners	59
4.1 Hospitality	59
4.2 Licensed Apparel and Sporting Goods	64
4.3 The Food and Beverage Industry	71
Sectors Centered around Host City Committees	79
4.4 Construction: Public Works and Stadium Renovations	79
4.5 Electrification through Renewable Energy	86
4.6 Waste Management	90
4.7 Security	97
5. Civil Society Strategies and Ally Mapping	104
5.1 Worker Rights in the 2026 FWC	104
5.2 Structural Issues in Host Cities	114
5.3 Incorporating Existing Business and Human Rights Agendas	123
6. Remedy and Accountability Mechanisms	125
7. Next Steps	135
Limitations and Next Steps	135
Annex A – Stakeholder Interviews	137
Annex B – Host City Committee Members	138
Annex C – Renewable Energy Projects	140

Index of Charts and Tables

Chart 1 – 2026 FWC Tentative Timeline.....	7
Chart 2 – Current Local Capacities and Organizing Opportunities in Key Sectors.....	11
Table 1 – Best Practices Throughout the MSE Life Cycle	20
Chart 3 – 2026 FWC Tentative Timeline.....	23
Chart 4 – 2026 FWC Organizational Structure.....	30
Table 2 – Revenue Streams for FIFA in 2015-18	33
Chart 5 – Entities that Benefit from FIFA Tax Exemptions.....	43
Table 3 – Major Sponsors of FIFA and Host Football Associations	48
Chart 6 – United 2026 Expenditures Budget (in millions USD).....	50
Table 4 – Key Risks and Opportunities Identified by Sector	55
Chart 7 – Overlapping Supply Chains.....	59
Table 5 – Hotels Proposed by Candidate Host Cities	62
Chart 8 – Basic Apparel Supply Chain.....	65
Table 6 – Top Three FMF Trading Partners (by number of shipments), 2018-20	66
Table 7 – Key Suppliers in Mexico and Central America	68
Chart 9 – Food Supply Chain.....	71
Table 8 – Mexico’s Main Food Exports in 2018	72
Table 9 – Preexisting Infrastructure in Host Cities	79
Chart 10 – Basic Supply Chain in Construction.....	82
Table 10 – Principal Suppliers of Renewable Energy Plants	88
Chart 11 – Actors Involved in FIFA Security Provision.....	99
Table 11 – Advocacy Opportunities for Labor Rights	105
Table 12 – Regional and International Accountability Mechanisms Names withheld for reasons of confidentiality	126
Table 14 – Mexican Host City Committee Members.....	138
Table 15 – Renewable Energy Projects Awarded in the First, Second, and Third Energy Auctions in Mexico	140

Index of Case Studies and Text Boxes

High-level Corruption Involving FIFA Broadcasting Companies	34
Robert Kraft, Honorary Chairman of the United 2026 Bid Committee	36
Red Flags Involving FMF and Mexican Football Clubs	37
Campaign Against FIFA Sponsor Coca-Cola due to Public Health Concerns	49
Mexican Company Behavior During the COVID-19 Pandemic	54
Human Rights Guidance Tool for Hotels in Qatar	61
OECD Guidance for the Garment and Footwear Sector	69
U.S.-Mexico Tomato Conflict	75
Land Conflict Surrounding the Azteca Stadium	85
UN Working Group on Business and Human Rights in Oaxaca	89
Tecnosilicatos de México’s New Waste Management Contracts in Hidalgo	92
Human Rights and Environmental Violations at Landfills in Jalisco	94
Mexico City Human Rights Commission’s Recommendation Regarding Waste Management and Volunteer Workers	97
Criminalization of Worker Rights Advocate in Tamaulipas	107
CBAs and Unions in Key 2026 FWC Sectors in Mexico	110
Grassroots Organizing in Brazil	116
London 2012 Summer Olympics: “Developing” one of the Poorest Areas of East London	117
Paris 2024 Summer Olympics and Youth Employment Plans	118
Sustainable Procurement for the London 2012 Olympics	120

Executive Summary

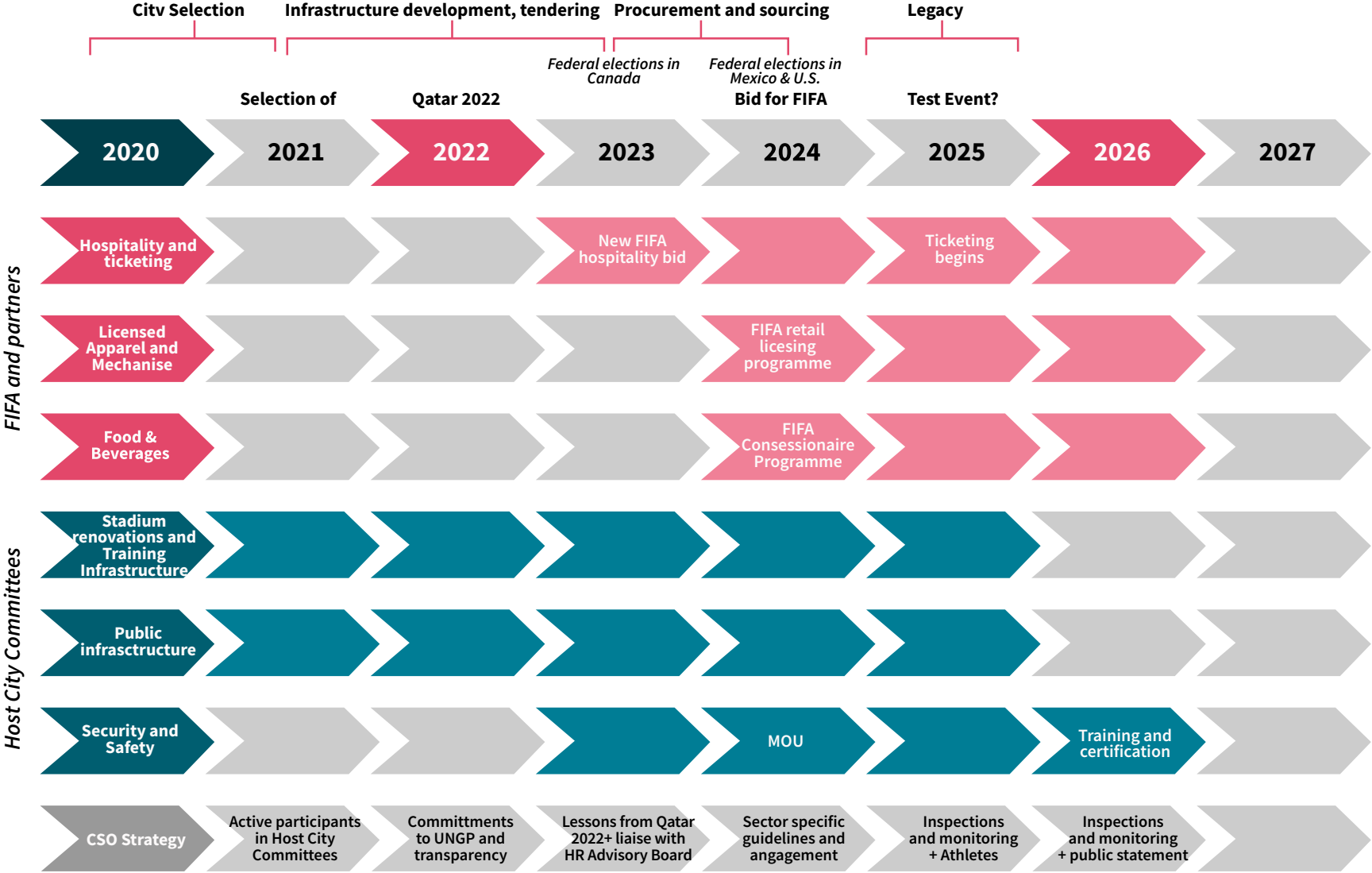
This report aims to provide civil society organizations (CSOs) with actionable information to support their efforts to leverage the 2026 FIFA Men's World Cup (2026 FWC) to improve human and labor rights. Specifically, it focuses on the rights of Mexican and migrant workers in key sectors related to this mega-sporting event (MSE) in both Mexico and the U.S. In conversations with stakeholders, Empower Empower identified two broad advocacy approaches with regards to human rights protections and sustainability in the context of the 2026 FWC: i) Addressing human rights and sustainability in sports; and ii) Addressing human rights and sustainability through sports.

Human Rights in Sports

Despite significant improvements to FIFA's human rights and sustainability commitments since 2015, it is clear from the bidding and city selection stages of the 2026 FWC that the international football federation views its human rights responsibilities as limited. Since the host cities in Canada and Mexico have, for all intents and purposes, already been selected, FIFA sees U.S. city selection as where it has the most leverage for host city committees to adopt exemplary human rights standards. Following the selection stage, FIFA plans to delegate responsibility for the implementation of its human rights commitment to each host city committee. Municipal responsibility means that it will be difficult for CSOs to coordinate advocacy at the national and regional levels, as grievances will be handled for the most part by city governments, which could lead to civil society fragmentation. However, CSOs should ensure that the exemplary standards adopted by U.S. host cities are adopted in Mexican host cities where the gaps in wages and labor enforcement are most notable.

Empower has identified key moments prior to the MSE that can be used to hold different actors accountable to their human rights commitments and responsibilities. The city selection stage is a particularly important opportunity for civil society to pressure cities and FIFA to implement formal civil society engagement mechanisms, including transparency clauses, human rights protections, and sustainability provisions, in city proposals, organizer commitments, and agreements between FIFA and local actors as well as to make all agreements public. Infrastructure development and the sourcing of goods and services for the event are also key moments when public and private actors can be pressured to include transparency and human rights and sustainability provisions into procurement processes and contracts.

Chart 1 – 2026 FWC Tentative Timeline



Source: Empower, based on numerous sources.

Suggested demands for the design and planning stages

Demands of FIFA and its business partners:

- **Harmonization:** Provide a single guideline for reporting to host city committees, contractors, and service providers to ensure comparability. Human rights strategies depend on each host city committee, meaning there will be 16 different strategies, which may fragment civil society efforts. FIFA should guarantee that the same exemplary human rights standards implemented in the U.S. are also incorporated by Mexican host cities to reduce wage and labor enforcement gaps.
- **Public business and human rights commitments:** All tournament organizers, national football associations, and FIFA business partners should guarantee transparency and human, labor, and environmental rights protections in supply chains and publicly commit to the UNGPs.
- **Transparency:** Develop a platform specifically for this MSE where all business partners and organizers (including the three national football associations) are required to report on their supply chain risk assessments and human rights reports and policies. This platform should provide information on tier 1 and tier 2 suppliers.
- **Penalty system for non-compliance:** FIFA should establish a tournament-level grievance and remedy mechanism and a transparent penalty system for non-compliance with UNGPs and sustainability standards, which considers rules for liability and collective redress. This should include a tournament-wide alert system and/or grievance mechanism to be developed in collaboration with trade unions and other CSOs. Civil society representatives should be included in all site visits and inspections to monitor oversight activities.
- **Whistleblower protection:** FIFA should extend its web-based whistleblowing system for reporting match manipulation and integrity-related conduct to allow all actors (teams, players, officials, referees, and third parties) to report any type of misconduct associated with staging the tournament. This should include protection against dismissal and demotion by employers. Previous whistleblowers, including Bonita Mersiades and Phaedra Almajid, should be recognized by the association and receive a public apology.

Demands of host city committees:

- **Civil society participation:** Civil society stakeholders should participate in regular briefings with host city committees, including those of public officials and businesses related to the event. Civil society should be included and consulted in the planning, design, and monitoring of the host city committee structures and their human rights reports.

- **Transparency and human rights clauses in public contracting:** Cities should incorporate open contracting standards, require mandatory human rights and environmental due diligence in contracting, and include human rights clauses in both bidding procedures and actual contracting. They should not only publish their human rights reports but also their final agreements with FIFA.
- **Independent evaluator:** Cities should hire an independent evaluator to ensure compliance with human rights and sustainability standards, including the effective consultation of civil society stakeholders. Cities should establish a grievance and remedy mechanism for the tournament.
- **Accountability and risk:** City governments should cap and earmark public expenditure and negotiate better liability and risk-sharing terms with FIFA and other business partners.¹

There is a broad variety of sporting, political, and economic actors that will participate in the 2026 FWC. To improve engagement and outreach efforts, CSOs should understand each actor’s responsibility and influence within the staging of the tournament and make clear demands of each actor. Sector-specific guidelines have been useful in the past to help companies implement policies that improve their human rights and sustainability practices.

FIFA and its subsidiaries are the main tournament organizers. Despite its commitment to human rights, FIFA maintains a restrictive view of its responsibility. It adopts a “harm reduction” approach to human rights and sustainability, which embeds a risk-management perspective prioritizing attention for the highest risks. For example, greater standards are required for business partners participating in high-risk sectors, reflected by a risk heat map. By promoting an alternative approach to the 2026 FWC based on proactive strategies that create social value (“do good” approach), organizations could have the opportunity to engage in a more fertile cooperation.²

In terms of FIFA’s procurement policies, it should adopt exemplary standards, including: incorporate a gender perspective; incorporate the 2030 Sustainable Development Goals; provide licensees, sponsors, and contractors, including host cities and service providers, with financial, human rights, and environmental reporting guidelines; and develop an event-specific platform where contractors will be able to share and upload reports and information, e.g. an online resource accessible to the general public with the aim of increasing transparency. FIFA must develop standards to facilitate compliance, including sector-specific human and environmental rights due diligence guidelines. FIFA should

¹ Martin Müller, “The Mega-Event Syndrome: Why So Much Goes Wrong in Mega-Event Planning and What to Do About It,” *Journal of the American Planning Association* 81, no. 1, January 2, 2015, pgs. 6–17, www.doi.org/10.1080/01944363.2015.1038292.

² Crilly, Donald, Ni, Na, and Jiang Yuwei, “Do no harm versus do good social responsibility: attributional thinking and the liability of foreignness,” *Strategic Management Journal*, January 2016, www.researchgate.net/publication/274645694_Do-no-harm-versus-do-good-social-responsibility_Attributional-thinking_and-the-liability-of-foreignness_in-the_MNC.

also strengthen its tournament-wide alert system and grievance mechanism. Essential to all of these is civil society participation in the design and monitoring of these policies. FIFA must not disengage following the city selection. It must continue to use its leverage on host city committees to push for the highest human rights and environmental standards, particularly in the case of evident gaps in human and labor rights enforcement between U.S. and Mexican host cities.

The three national football associations are FIFA's main partners in host nations staging the event. None of them have made a public commitment to human rights. In Mexico, the Mexican Football Federation (*Federación Mexicana de Fútbol Asociación*, also known as FEMEXFUT or FMF) acts as the intermediary between FIFA and local and national governments. The 2026 FWC is a golden opportunity to push for a change in their approach to human rights and sustainability. In this regard, athlete involvement is key, mainly through AMFPro (the Mexican Association of Professional Footballer established in 2017). Mexico's professional football players are becoming a national reference in their fight for worker rights, which could influence the debate around collective bargaining and the labor reform at a national level. Stadium owners and operators, many of which are private companies tied to football clubs, are also crucial partners to the event.

The host city committees will also play a crucial role, as the local bodies responsible for providing FIFA and partners with certain guarantees to make the event viable (and lucrative). These include commitments on security, migration, commercial rights protections, and tax exemptions. Host city committees are also key partners in FIFA's sustainability strategy, which connects stadiums with clean energy, waste management, and transportation infrastructure. Host city committees are comprised of representatives from local government, sports clubs, and stadium owners, public transportation, and law enforcement agencies, as well as other stakeholders. Federal and state governments, along with host city governments, will also play a supporting role. Cities should incorporate transparent standards and human rights and environmental due diligence in public contracting. To ensure compliance with these standards, cities should hire an independent evaluator and establish a grievance and remedy mechanism for the tournament.

Multinational companies, as the main sponsors and commercial partners of FIFA, as well as national football federations, potentially can ally with CSOs to pressure FIFA. Sponsors and marketing affiliates in particular are important in this respect given their visibility and therefore receptiveness to pressure. Coca-Cola and Adidas could also become strategic allies as they participate on FIFA's Human Rights Advisory Board.

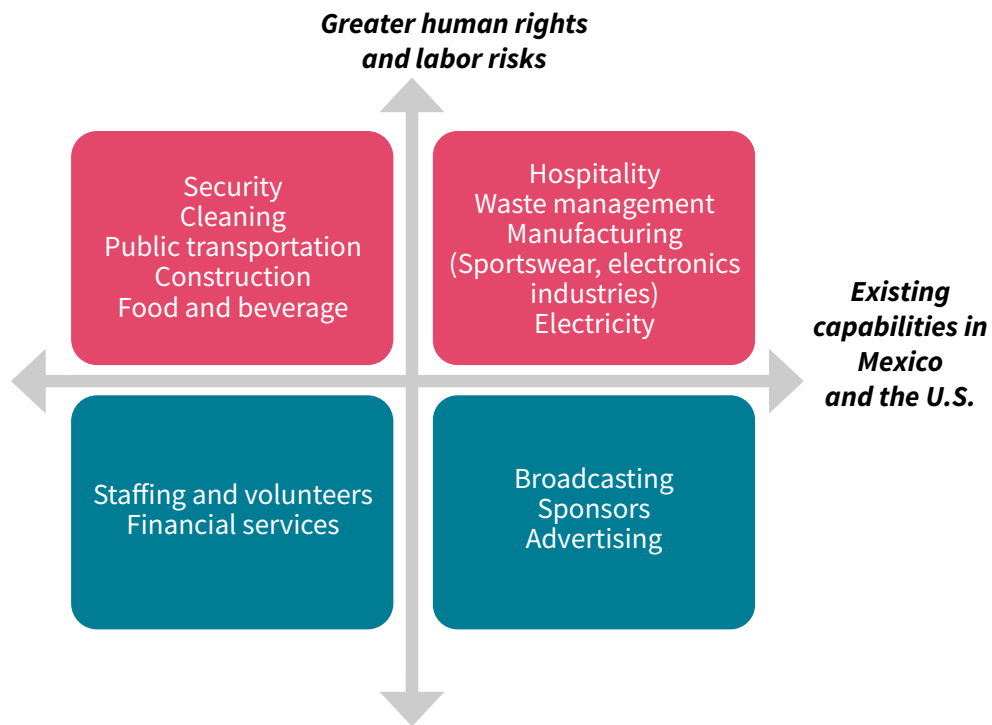
Human Rights through Sports

In terms of improving human rights protections and sustainability through sports, this MSE provides key opportunities, particularly regarding labor rights and addressing structural issues in Mexico.

The independent labor rights movement in Mexico is weak and significant resources are required to build local capacities and presence at workplaces. Worker power must be strengthened to organize unions and improve collective bargaining as provided for

in the 2019 labor reform, which has already been partially undermined by the official labor movement. A stronger, more independent labor movement in Mexico would also be able to work with U.S. and Canadian counterparts to enforce the labor provisions of the updated North American Free Trade Agreement (now called the USMCA). Innovative models that focus on cross-border organizing and worker-driven social responsibility are useful references for engaging actors across global corporate supply chains. One major concern around worker organizing in Mexico is the persistence of protection contracts and official incumbent unions, part of the corporativism labor movement in Mexico associated with the Institutional Revolutionary Party (*Partido de la Revolución Institucional*, or PRI). Considering current capacities among CSOs in both Mexico and the U.S., this report identifies greater opportunities for worker organizing and labor strengthening in the hospitality, food and beverage, manufacturing, and clean energy (electricity) sectors.

Chart 2 – Current Local Capacities and Organizing Opportunities in Key Sectors



To pursue these objectives, significant efforts must be made to build local organizing capacities both in key sectors and around issues affecting vulnerable groups in cities. Efforts should be coordinated across the region to involve a diversity of actors, including human rights organizations, environmental organizations, labor unions, grassroots community organizations, scholars, labor lawyers, and investigative journalists.

Regarding structural issues, the 2026 FWC could be used to bring about lasting changes in the affected communities, specifically in terms of human rights protections, job creation, and improved infrastructure. The event could also be leveraged to improve transparency in public and private procurement as well as to build human rights and sustainability into procurement processes. CSOs could use the event to put pressure on local and national governments to make improvements to the law enforcement system, which in Mexico is often repressive. Finally, civil society could push for greater oversight of private security companies in line with the highest international standards.

Remedy and accountability mechanisms

Although the 2026 FWC ecosystem will create specific remedy and grievance mechanisms, conversations with key stakeholders highlight the need to strengthen existing national and regional labor enforcement regulations to ensure long-lasting change. These center around new mechanisms created by the Mexican labor reform and the USMCA. Other voluntary and soft-law mechanisms could be strengthened to pressure governments and international private actors to guarantee human and labor rights in the context of the tournament. The involvement of numerous actors that participate in MSEs often makes it difficult to identify a single actor responsible for a certain adverse human rights impact. In this regard shared responsibility frameworks could be considered to guarantee effective access to remedy for those affected.

1. Human Rights and FIFA World Cups

Mega-sporting events (MSEs) have significant impact on the countries and cities in which they take place. They require complex organizing processes with multiple actors as well as large-scale corporate involvement. The event is often accompanied by a sudden and large influx of visitors, workers, and volunteers and intense international media coverage. MSEs have massive footprints, with an impact that goes beyond direct participants or workers. These events also pose challenges for municipal infrastructure governance, including: stadiums, accommodation, transportation, security, entertainment, and communications. At the same time, it is common to pass temporary legislation for the staging of MSEs, which may include regulations to restrict the activities of street vendors or new security laws at the national or municipal level.

Since the 2010 FWC in South Africa as well as the run-up to the 2014 FWC in Brazil, international CSOs — particularly human rights organizations and international labor unions — began increasingly focusing and organizing around MSEs to improve human rights in sports. They also began treating international sports bodies as corporate actors with a responsibility to uphold human rights, in accordance with the United Nations Guiding Principles on Business and Human Rights (UNGPs). In early 2015, the multi-stakeholder Sport and Rights Alliance (SRA) was founded, with the participation of global NGOs, sports organizations, and trade unions.³ The SRA addresses decision-makers of international MSEs to introduce measures to ensure that these events are organized in a way that respects human rights, labor rights, the environment, and anti-corruption requirements at all stages of the process.

The same year, the Institute for Human Rights and Business (IHRB) developed the Mega-Sporting Events Platform for Human Rights (MSE Platform), a coalition of international and intergovernmental organizations, governments, sport governing bodies, athletes, unions, sponsors, broadcasters, and CSOs collaborating towards a vision of a world of sport that fully respects human rights. This evolved over years and led to the launch in 2018 of the independent Centre for Sports and Human Rights (CSHR) to prevent human rights violations from occurring through sports, support access to effective remedy where harms have occurred, and promote a positive human rights legacy from sports and sporting events. These multi-stakeholder international forums have helped set the agenda to improve human rights in sports and improve practices and standards in major sporting bodies.

³ Amnesty International, Football Supporters Europe, Committee to Protect Journalists, Human Rights Watch, the International Trade Union Confederation, World Players Association, and Transparency International Germany, “Sport and Rights Alliance,” Sport and Human Rights, July 6, 2015, www.sportandhumanrights.org/wordpress/index.php/2015/07/06/sport-and-rights-alliance.

The process, however, has not been without resistance from international sporting bodies and other private actors. Specifically, regarding FIFA, several circumstantial factors helped pressure the organization into incorporating a human rights perspective, mainly the 2015 corruption scandals brought on by a Federal Bureau of Investigation (FBI) inquiry (explained below).⁴ In the bidding process for the 2026 FWC, FIFA included human rights requirements for the first time. The winning bid, known as United 2026, presented an extensive human rights strategy that incorporates provisions on sustainability, human rights, and the labor rights of workers directly or indirectly involved in the event — a perfect fit for FIFA to position its new image. The high standards and expectations of the event will nevertheless test FIFA's new policies on human rights and its commitment to truly include civil society stakeholders in all stages of the FWC's life cycle.

Given the massive impact of MSEs on cities and industries, civil society organizing around MSEs has also increasingly focused on improving human rights *through* sports, that is by using the World Cup to spotlight wider structural issues in the host countries. Experts widely evidenced the exacerbation of human and labor rights with the staging of the World Cup in South Africa, Brazil, Russia, and, soon, in Qatar. The 2026 World Cup can be an opportunity to spotlight a range of structural issues in Mexico and between the host countries, from the difficulties to organize democratic labor unions to sustainable urban planning and immigration issues. The examples in Brazil of the 2014 World Cup and the Rio 2016 Olympics show that these events can unite different civil society actors under the same umbrella, from academics to grassroots organizations and labor unions, in a common demand for social justice.

The long-term impact of the COVID-19 pandemic on communities, workers, civil society, and local and national governments cannot be overlooked. The resulting health and economic crises will severely impact host city governments' capabilities to stage a MSE. Similarly, the urgency of the situation creates new priorities for workers and local communities facing widespread precarity. Issues around public health, temporary workers, and travel and mobility will become central in any future MSE.

1.1. Defining a Common Objective

Empower was commissioned to conduct strategic corporate research and supply chain analysis into the organizing of the 2026 FWC. The ultimate purpose of this research is to identify how the 2026 Men's World Cup can leverage human rights accountability and positively impact worker justice and the protection of human rights at transnational, national, state, and city levels.

A regional civil society movement for human and labor rights in the context of the 2026 FWC requires joining and coordinating capabilities around a common objective. Considering the experiences, capacities, and interests of potential allies and other stakeholders in Mexico and the U.S., Empower identified potential opportunities around three complementary yet distinct objectives for a civil society campaign leading up to the 2026 FWC, as follows:

⁴ *Ibid.*

- Strengthening worker rights in key sectors in Mexico and the U.S. as well as those of migrant workers.
- Building an inclusive civil society movement centered around structural issues in host cities.
- Improving the human rights and sustainability impact of mega-sporting events.

1.2. Methodology

The greatest value of this report is that it incorporates the insights and experiences of a variety of civil society actors and experts. Many of these people have significant experience organizing around MSEs in other geographies and have been a central part of advancing human rights in sports over the last ten years. Others have been central to organizing around human and labor rights in either Mexico, the U.S, or both. From September-October 2020, Empower conducted over 30 unstructured interviews with stakeholders in the public and social sectors (for a full list see Annex A). Empower acknowledges each interviewee's contribution to the reflections and lessons learned for this report.

Empower further conducted extensive open-source research, including of existing regulatory and legal frameworks and mechanisms at national, regional, and international levels, civil society reports, academic studies, media reports, and specialized databases. To obtain supporting documentation on the 2026 FWC bidding and organizing process, Empower filed multiple freedom of information requests with key government entities in Mexico, the U.S., and Canada that participated in the United 2026 bidding process or that are likely to oversee tournament activities. All documents obtained are available separately in digital format.

A key element of the research is the identification of beneficial owners — or the natural person or group of people who ultimately controls a corporate entity or asset — behind the legal entities supplying products and services before and during the tournament, including financial entities and others operating along supply chains. At this stage the identification of specific actors is speculative as three to four years remain before the procurement processes related to the competition even begin.

2. Human Rights in Sports: The Promise of the 2026 FIFA World Cup

2.1. FIFA's Human Rights Responsibility

In 2016, FIFA made a commitment to respect the UNGPs. This commitment, as several interviewees pointed out, did not come from FIFA but rather was a response to external pressures. First, the 2015 investigation into corruption in FIFA by U.S. authorities led to numerous indictments and increased pressure from sponsors. Second, in May 2015, the Swiss National Contact Point (NCP) for the Organization for Economic Co-operation and Development (OECD) accepted a complaint by the Building and Wood Workers' International (BWI) over conditions for workers building stadiums for the 2022 FWC in Qatar. Upon accepting the complaint, the NCP practically confirmed that FIFA is a multinational actor bound by the OECD's Guidelines for Multinational Enterprises, as opposed to being an exempt non-profit.⁵

Starting in 2015, FIFA underwent significant restructuring in order to bring about a “drastic change in culture” and restore public trust and, more notably, retain sponsors.⁶ The scandals not only had a significant financial impact on FIFA, which lost 369 million USD, with 50 million USD alone spent on legal fees,⁷ but they also strained the Federation's relationship with major sponsors, including Coca-Cola, McDonald's, and Visa.⁸

In December 2015, FIFA President Joseph Blatter resigned after a 17-year mandate and was replaced by Gianni Infantino.⁹ Under Infantino, FIFA proposed a roadmap for the future of football known as “FIFA 2.0: The Vision for the Future,” in which it separated commercial and political decision-making processes, promised greater scrutiny of senior officials, made commitments regarding the promotion of women in football, and incorporated a human rights perspective across its activities.¹⁰ The bidding process for the 2026 World Cup spearheaded these new policies and adopted improved transparency mechanisms.

⁵ “Resultado de Directrices OCDE, Caso presentado por la ICM sobre FIFA y Qatar: FIFA Acepta su Responsabilidad,” Building & Wood Workers' International (blog), May 2, 2017, www.bwint.org/es_ES/cms/resultado-de-directrices-ocde-caso-presentado-por-la-icm-sobre-fifa-y-qatar-fifa-acepta-su-responsabilidad-651; “Information on Specific Cases,” SECO, 2020, www.seco.admin.ch/seco/en/home/Aussenwirtschaftspolitik_Wirtschaftliche_Zusammenarbeit/Wirtschaftsbeziehungen/NKP/Statements_zu_konkreten_Faellen.html.

⁶ “FIFA 2.0: The Vision for the Future,” FIFA, October 13, 2016, img.fifa.com/image/upload/drnd5smfl6dhxgyiqmx.pdf; “FIFA Congress approves landmark reforms,” FIFA, www.fifa.com/who-we-are/news/fifa-congress-approves-landmark-reforms-2767108.

⁷ Ramu Sarkar, *International Development Law: Rule of Law, Human Rights & Global Finance*, Springer International Publishing, www.springerprofessional.de/en/corruption-and-its-consequences/17835508?fulltextView=true.

⁸ “FIFA admits scandal deters new sponsors,” BBC, July 24, 2015, www.bbc.com/news/business-33649448.

⁹ “Sepp Blatter: End of era for FIFA boss,” BBC, December 21, 2015, www.bbc.com/news/world-europe-32985553#:~:text=Sepp%20Blatter's%2017%20year%20reign,a%20slew%20of%20corruption%20allegations.

¹⁰ “FIFA 2.0.”

2. Human Rights in Sports: The Promise of the 2026 FIFA World Cup

In 2015, FIFA hired John Ruggie, principal architect of the UNGPs, to help it and its members embed human rights in all their activities and across all tournaments. In 2016, Ruggie published “‘For the Game. For the World.’ FIFA and Human Rights” with 25 concrete recommendations for action to be taken by FIFA.¹¹ Several of these have been implemented, including the following:

- In March 2017, FIFA created an independent Human Rights Advisory Board.¹² It provides the association with advice regarding all relevant human rights issues and regularly publishes reports that track and evaluate FIFA’s human rights efforts. The Advisory Board communicates with the FIFA Governance Committee’s Human Rights Working Group,¹³ which advises and assists FIFA’s Council (governing body) on issues related to governance, including human rights.
- In May 2017, FIFA adopted a human rights policy that explicitly requires that it respect human rights in accordance with the UNGPs.¹⁴
- In the run-up to the 2018 FWC in Russia, FIFA launched a complaint mechanism and an accompanying detailed statement for human rights defenders and media representatives.¹⁵

In October 2017, FIFA launched new bidding regulations for the 2026 FWC, introducing requirements to develop a human rights strategy and conduct an independent human rights risk assessment.¹⁶ The winning bid for the 2026 tournament — known as “United 2026”, promoted by Canada, the U.S., and Mexico — incorporated unprecedented provisions regarding sustainability, human rights, and the labor rights of workers directly or indirectly involved in the event.

Regarding the bidding process, Andreas Graf, Head of Human Rights & Anti-Discrimination at FIFA, in an interview with Empower, stated that FIFA favors bids that have a realistic human rights plan that can be developed and implemented, rather than focusing on the specific human rights situation in a bidder nation. In FIFA’s Bid Evaluation Report, it categorized as “medium” the human rights strategies of the successful United 2026 bid as well as that of Morocco’s losing bid.¹⁷ Graf explained that, although the United 2026 strategy was more ambitious than Morocco’s, this made it harder to implement which is why both received the same score.¹⁸

¹¹ John G. Ruggie, “‘For the Game. For the World.’ FIFA and Human Rights,” Harvard Kennedy School and Shift, 2016, www.hks.harvard.edu/centers/mrcbg/programs/crj/research/reports/report68.

¹² “FIFA Human Rights Advisory Board,” Business and Human Rights Resource Centre, www.business-humanrights.org/en/fifa-human-rights-advisory-board.

¹³ “FIFA, Human Rights Advisory Board. Terms of Reference,” FIFA, [www.resources.fifa.com/image/upload/human-rights-advisory-board-terms-of-reference.pdf?cloudid=uvmsynwru9dpmyu5rgmi#:~:text=Members%20of%20the%20Advisory%20Board%20are%20appointed%20by%20the%20FIFA,of%20two%20\(2\)%20years](http://www.resources.fifa.com/image/upload/human-rights-advisory-board-terms-of-reference.pdf?cloudid=uvmsynwru9dpmyu5rgmi#:~:text=Members%20of%20the%20Advisory%20Board%20are%20appointed%20by%20the%20FIFA,of%20two%20(2)%20years).

¹⁴ “FIFA Publishes Human Rights Policy,” Institute for Human Rights and Business, www.ihrb.org/news-events/news-events/fifa-publishes-human-rights-policy.

¹⁵ “FIFA launches complaints mechanism for human rights defenders and journalists,” FIFA, May 29, 2018, www.fifa.com/who-we-are/news/fifa-launches-complaints-mechanism-for-human-rights-defenders-and-journalists.

Despite significant improvements in its commitment to human rights and sustainability since 2015, FIFA continues to maintain a limited view of its responsibility as a multinational actor. This opinion is shared by several CSOs that have engaged with FIFA in recent years, particularly in the run-up to the 2022 FWC in Qatar. For instance, according to several organizations interviewed, FIFA was hesitant to act when faced with mounting pressure around the poor working conditions of migrant workers in Qatar. Initially FIFA shielded itself from criticism, arguing that its leverage was limited to workers directly building stadiums. CSOs like Human Rights Watch and Amnesty International had presented numerous studies on human rights abuses and, in 2017, FIFA agreed to create a dialogue with the International Labour Organization (ILO) to address conditions in Qatar.

2.2. The United 2026 Bid as an Opportunity

The 2026 FWC will take place in the summer of 2026 across 16 cities: three in Mexico, ten in the U.S., and three in Canada. The 2026 tournament represents a significant challenge for several reasons: its tri-national nature, the increase in the total number of matches to be played (up to 80), and the increase in the number of participating teams (from 32 in the 2022 tournament in Qatar, to 48 in 2026).¹⁹

As a requirement of the bid, United 2026 commissioned Ergon Associates Ltd. (Ergon) to conduct an independent report to identify gaps in human rights protections in the U.S., Mexico, and Canada. The report, which was published in March 2018, evaluates the tournament's impact on human rights according to rights-holder groups: workers; communities and citizens; players, coaching staff, support teams, and match officials; spectators and fans; and journalists and human rights defenders.²⁰ Ergon's independent report fed into United 2026's Proposal for a Human Rights Strategy (United 2026 HR Strategy).²¹

The United 2026 bid and HR Strategy make a “public promise”²² to protect human and labor rights and promote sustainability. They place responsibility on the host city committees regarding inclusion and anti-discrimination, child safeguarding, freedom of expression, labor rights, land and housing rights, international travel and movement, privacy rights, and security.²³ As mentioned by various stakeholders, the United

¹⁶ “FIFA Regulations for the selection of the venue for the final competition of the 2026 FIFA World Cup,” FIFA, October 27, 2017, www.img.fifa.com/image/upload/stwvxqphxp3o96jxwqor.pdf.

¹⁷ FIFA, “Bid Evaluation Report 2026 World Cup,” p. 105 and p. 175.

¹⁸ Interview with Andreas Graf, Head of Human Rights & Anti-Discrimination at FIFA, September 17, 2020.

¹⁹ “Unanimous decision expands FIFA World Cup™ to 48 teams from 2026,” FIFA, www.fifa.com/who-we-are/news/fifa-council-unanimously-decides-on-expansion-of-the-fifa-world-cuptm--2863100.

²⁰ Defined as the “people whose human rights could potentially most likely be affected by the activities of the World Cup.” “Independent Report: Human Rights in Canada, Mexico and the USA in the Context of a Potential FIFA 2026 World Cup Competition,” Ergon Associates Ltd., March 7, 2018, www.resources.fifa.com/image/upload/independent-human-rights-assessment-united-2026-bid.pdf?cloudid=ywklipdfwenjx8kwfunj.

²¹ United 2026, “Proposal for a United Human Rights Strategy,” FIFA, March 16, 2018, www.resources.fifa.com/image/upload/proposal-for-a-united-human-rights-strategy-united-2026-bid.pdf?cloudid=s2xnrvfjg9kp0zelhxnt.

²² Interview with the director of an international human rights organization, August 28, 2020.

²³ United 2026, “Proposal for a United Human Rights Strategy.”

2026 bid's significance was in the process, specifically its unprecedented engagement of a diversity of stakeholders (particularly in the U.S.) in its development, such as international organizations, CSOs, organized labor, and businesses.²⁴ The bid further anticipated civil society engagement throughout the life cycle of the event and extended the reach of its responsibility for labor rights to include workers involved both directly and indirectly in the event. Toward this end, the HR Strategy considers engagement with independent organizations to monitor labor rights throughout the tournament's supply chains.

It is important to note that, so far, engagement with civil society has been centered around actors in the U.S. In Mexico, involvement of stakeholders has been woefully limited. In early 2018, there was a meeting organized with CSOs in Toluca, State of Mexico, at the headquarters of the Mexican Football Federation (FMF). However, this meeting had a limited reach given that many labor and civil society actors were not invited or did not participate.

Furthermore, once the bid was awarded to the tri-national committee in 2018, FIFA, together with the national football associations, became the primary entity responsible for staging the tournament and fulfilling the United 2026 bid's promise. The following sections will focus on key moments during the 2026's FWC life cycle, considering the United 2026 bid book and information obtained from publicly available agreements signed with cities, stadium owners, airports, and hotels throughout the United 2026 bid development process between 2017-18.²⁵

2.3. The 2026 FIFA World Cup Life Cycle

MSEs have a long and complex life cycle that can be divided into five often overlapping stages: (1) Bidding, city selection, and planning; (2) Construction and infrastructure; (3) Sustainable sourcing of goods related to the event; (4) Sponsorship and broadcasting; and (5) Delivery and operations. The United 2026 bid was selected as the winning bid in June 2018, giving the organizers eight years to plan and stage the tournament.

²⁴ It is important to note that, while it is clear that efforts made by the United Bid Committee to consult civil society actors in the U.S., engagement with CSOs in Mexico was limited.

²⁵ Host City Agreement between FIFA, USSF, and the City of Seattle.

Table 1 – Best Practices Throughout the MSE Life Cycle

Phase	Risk factors	Relevant decision-makers	Risk mitigation strategies
<p>Bidding, city selection, and planning</p>	<p>Lack of stakeholder participation in decision-making Lack of transparency Forced evictions and resettlement Loss of livelihood No consideration of long-lasting positive impacts for local communities</p>	<p>FIFA and football associations Host authorities Organizing committees Designers Developers Financiers Constructors</p>	<p>Fully transparent bidding and city selection process. Human rights, environmental, transparency, and sustainable sourcing obligations included in bid and city selection documentation. Supporting infrastructure subject to same standards as event infrastructure. Access to land and resources based on due process. Ongoing stakeholder engagement. Legacy: plan for event to advance human rights and sustainability in host communities.</p>
<p>Construction and infrastructure</p>	<p>Lack of supply chain transparency Poor working conditions Vulnerable migrant workers Violations of contract workers' rights Violations of union and collective organizing rights Access to natural resources</p>	<p>FIFA and football associations Host authorities Organizing committees Delivery partners Construction Recruitment agencies</p>	<p>Human rights and environmental due diligence on constructors and delivery partners. Include a human rights and environmental perspective in designs, project management, contract tendering, the selection of delivery and construction partners, and recruitment practices. Unions to participate in joint construction inspections. Mechanisms for onsite grievances.</p>

2. Human Rights in Sports: The Promise of the 2026 FIFA World Cup

Phase	Risk factors	Relevant decision-makers	Risk mitigation strategies
Sustainable sourcing of goods related to the event	<ul style="list-style-type: none"> Lack of supply chain transparency Poor working conditions Child labor Violations of union and collective organizing rights Exploitation of contract and migrant workers 	<ul style="list-style-type: none"> FIFA and football associations Host authorities Organizing committees Suppliers Licensees Recruitment agencies 	<ul style="list-style-type: none"> Supply chain transparency. Sourcing standards and robust assurance arrangements (audits, grievance mechanisms). Living wage as minimum. Human and labor rights criteria based on international standards to be included both in tendering evaluations and contracts.
Sponsorship and broadcasting	<ul style="list-style-type: none"> Human and labor rights violations in sponsor supply chains Restrictions on freedom of expression 	<ul style="list-style-type: none"> FIFA and football associations Organizing committees Host authorities Sponsors Broadcasters 	<ul style="list-style-type: none"> Sponsors and broadcasters to be subject to human rights due diligence, including identifying risks.
Delivery and operations	<ul style="list-style-type: none"> Criminalization, harassment, or removal of homeless people and street vendors Human trafficking and forced labor Temporary contract worker exploitation Illegal security and law enforcement measures, including infringements on right to privacy through surveillance, discrimination, and arbitrary detention 	<ul style="list-style-type: none"> FIFA and football associations Host authorities Organizing committees Police and security providers Hospitality sector Recruitment agencies 	<ul style="list-style-type: none"> Human and labor rights standards to be set for responsible workplace and recruitment practices, particularly for contract workers. Security and policing must be subject to international principles.

Source: Empower, based on information from CSHR²⁶ and IHRB.²⁷

2. Human Rights in Sports: The Promise of the 2026 FIFA World Cup

Given the specificities of the 2026 FWC — its tri-national nature and reliance on pre-existing infrastructure — Empower identified three activities that are key moments for civil society participation. Special attention is given to human and labor rights monitoring, which should be included in all stages of the 2026 FWC’s life cycle. One major theme and concern throughout is that of transparency. Although FIFA has adopted increasing commitments, it continues to consider bilateral agreements and contracts to be private and is accustomed to signing “backroom” deals.²⁸ Organizations working toward improving human rights in sports consider transparency to be a central demand since it adds leverage to their monitoring and advocacy activities. This includes making public all municipal documents on human rights, including risk assessments and commitments; it should also include FIFA’s sourcing codes and agreements with business partners.²⁹

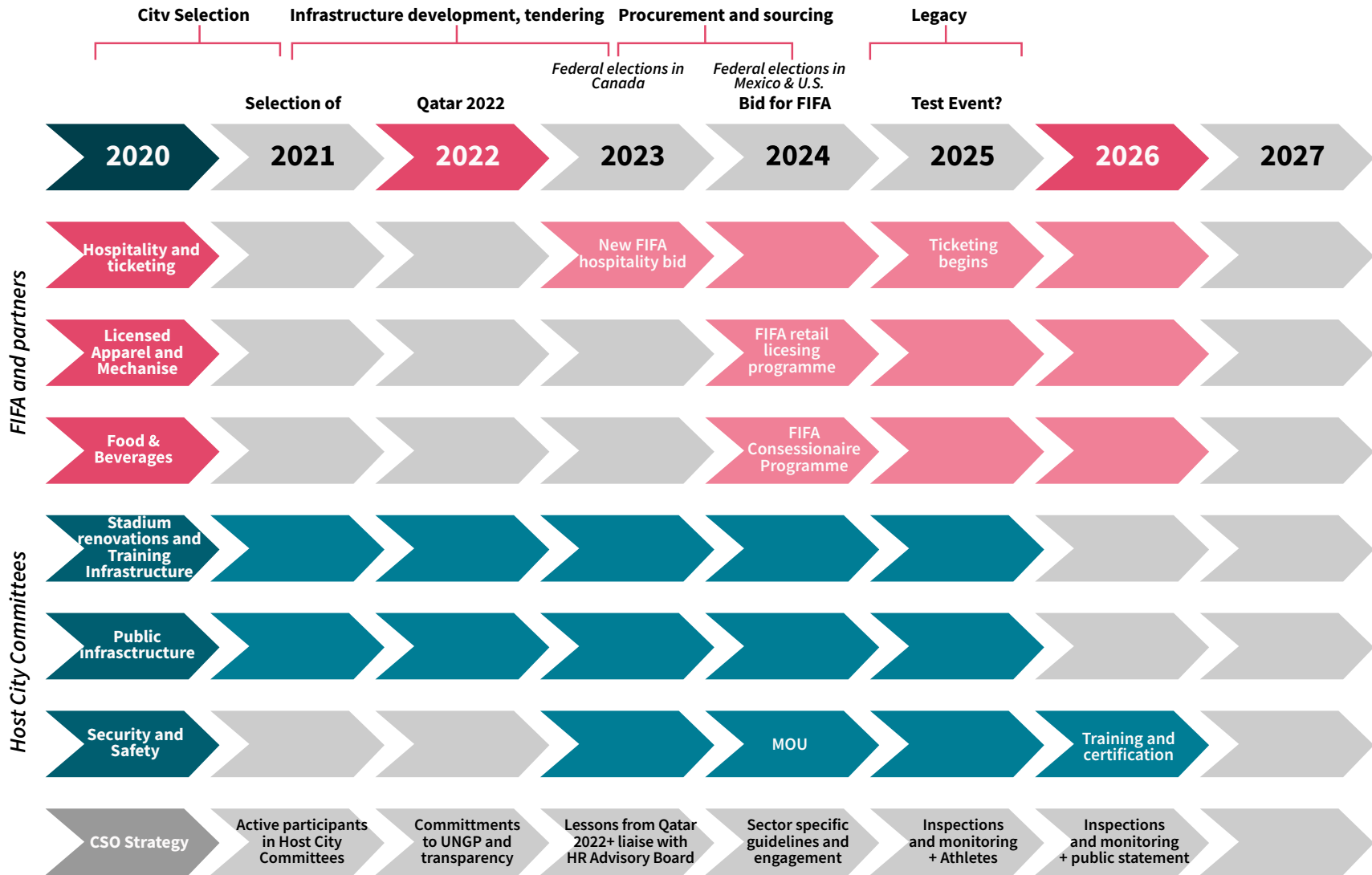
²⁶ “MSE Lifecycle,” Centre for Sports and Human Rights, www.sporhumanrights.org/en/mse-lifecycle#competition, accessed October 28, 2020.

²⁷ “Striving for Excellence: Mega Sporting Events and Human Rights,” Institute for Human Rights and Business, October 2013, www.ihrb.org/pdf/2013-10-21_IHRB_Mega-Sporting-Events-Paper_Web.pdf.

²⁸ Interview with a staffer of a global union federation, September 17, 2020.

²⁹ Interviews with staffers of an international human rights organization, August 28, 2020 and September 9, 2020.

Chart 3 – 2026 FWC Tentative Timeline



Source: Empower, based on numerous sources.

Key moment for civil society participation #1: Host City Selection

From interviews conducted by Empower, including with Andreas Graf, it has become clear that FIFA considers its responsibilities and leverage regarding human rights to be at the city selection stage. However, it does not consider itself responsible for overseeing human rights going forward, including regarding the implementation of the United 2026 HR Strategy. In September 2020, FIFA sent the 23 host city candidates a human rights issues paper developed by Ergon specific to each city and a template for a human rights report to be submitted to FIFA by each candidate by the end of January 2021. These reports, along with many other factors, will allegedly be considered for the final selection of host cities. According to these guidelines, the final reports filed by host city candidates are required to be made public. Once the final selection of host cities is completed, municipal governments are expected to conform their host city committees. (See [Section 5.2](#))

However, there are several shortcomings in FIFA's strategy as they relate to embedding human and labor rights into city selection:

- **Low feasibility for real civil society engagement, given the deadline:** FIFA and partners, furthermore, have limited experience in multi-stakeholder decision-making processes.
- **Transfer of responsibility to city governments:** In interviews with Empower, civil society stakeholders seemed skeptical about FIFA's commitment to human rights, even at the city selection stage when it should be using its leverage. "FIFA has passed the Ergon reports and city guides to the cities, as a way of passing the responsibility to the cities as opposed to doing anything itself. It is important to create leverage with FIFA using their reputation and linking FIFA to host cities practices."³⁰
- **Lack of harmonization in human rights and labor issues and dispersed nature of civil society efforts:** Another key challenge is related to the fragmentation of civil society efforts. A staffer of a global union federation explained that the "strategy of the employer tends to atomize industrial relations. In this regard, it is important to push for harmonization, especially in labor issues, to set common standards with the global sporting body. In labor, social, and environmental issues standards should be clear and not allow for interpretation."³¹ While civil society engagement is promised throughout the bid documents, the mechanisms and opportunities for it have not yet been defined or depend on each city government. Civil society should pressure host city committees to fulfill their promises in this regard.

More importantly, despite pushing back the deadline for the final selection of cities to mid-2021 due to the global COVID-19 pandemic, FIFA has since been pushing forward "business as usual."

³⁰ Interview with a scholar from Georgetown University, September 22, 2020.

³¹ Interview with a high-level staffer of a global union federation, September 22, 2020.

While there is an expectation of greater transparency in human rights and sustainability standards, there is less transparency in terms of FIFA and city negotiations. Not all cities have made public their agreements with FIFA signed in preparation of the United 2026 bid. Based on a public copy of Seattle’s host city agreement signed for the 2018 bidding process, FIFA has until June 30, 2023 to send a final version of host city requirements. These city negotiations will determine the concessions being given to FIFA and its partners, which are essentially tournament-related costs to be underwritten by cities. Traditionally FIFA asks for tax concessions and preferential rights for sponsors in a local commercial context.³² Four major cities — Chicago, Minneapolis, Vancouver B.C., and Glendale — pulled out of the initial selection process in 2018 due to FIFA’s requirements around concessions and limited liability.³³

Key moment for civil society participation #2: Tendering and Sustainable Sourcing

The planning and design phases are key moments for civil society engagement to promote the inclusion of exemplary transparency clauses, human rights protections, and sustainability provisions into bidding and contracts of both public and private actors. These provisions should reference direct and indirect workers and consider the risks borne by migrant and temporary workers. This is critical since contractual agreements (governed by and interpreted under Swiss law) are what actually guide FIFA as it stages the tournament, rather than the promises made in the 2026 United Bid book or the 2026 Human Rights Strategy. (See key supply chains in [Section 4](#))

The United 2026 Bid will use preexisting infrastructure and stadiums, which could minimize construction risks and costs and the risk of violations to workers’ rights.³⁴ 17 of the 23 proposed stadiums meet FIFA standards and require minor renovations. However, there are likely to be at least six stadiums requiring significant renovations. In Mexico, the Aztec Stadium has already begun renovations in preparation for the 2026 FWC and, based on an interview with Mexico City authorities, is likely coordinating with the local government to plan around sustainability and transportation requirements.

In addition to construction, other key sectors will feed into staging the 2026 FWC: hospitality and ticketing, entertainment, health and safety, transportation, and security. Each sector is likely to involve separate procurement processes, led either by local FIFA subsidiaries or by host city committees. While FIFA has improved its disclosure of commercial relationships overall, the issue of transparency (for oversight and accountability) should continue to be a central demand. In this sense, it is relevant to highlight three concerns with FIFA’s current practice:

³² “Overview of Government Guarantees and the Government Declaration,” FIFA, 2018, www.img.fifa.com/image/upload/ufybnq0f1kd2g1nhw5pc.pdf.

³³ Matthew Hall, “Are Cities Starting to See World Cup Hosting Duties as a Poisoned Chalice?,” *The Guardian*, March 19, 2018, www.theguardian.com/football/2018/mar/19/are-cities-starting-to-see-world-cup-hosting-duties-as-a-poisoned-chalice.

³⁴ The construction of new stadiums has been widely documented as a source of human rights abuses in Russia 2018 and Qatar 2022, where over 1,000 construction workers have died. “Bid Evaluation Report,” FIFA, www.resources.fifa.com/image/upload/2026-fifa-world-cup-bid-evaluation-report.pdf?cloudid=yx76lnat3oingsmnlvzf, 12.

2. Human Rights in Sports: The Promise of the 2026 FIFA World Cup

- While FIFA now publishes a sourcing code for World Cup tournaments, the terms of its contracts and agreements with other private entities (contractors, broadcasters, licensees, etc.) continue to be kept private. Furthermore, these private entities are not obligated to publish their human rights and environmental due diligence, nor publish information on their supply chain risks.
- While FIFA requires host city governments to publish their human rights reports and include human rights in their contracts related to the tournament, procurement and tendering processes are still governed by local laws.
- Finally, while all tournament actors are required to comply with the UNGPs, there is no apparent penalty system in place for non-compliance.

Comparing the 2018 FWC in Russia and 2022 FWC in Qatar, there has been an improvement in establishing best practices and standards for sustainable sourcing. The Supreme Committee for Delivery & Legacy of Qatar, in charge of delivering the proposed tournament venues and host country planning and operations, published the first version of the Sustainable Sourcing Code in April 2020, two years before the tournament.³⁵ In comparison, the Sustainable Sourcing Code for the 2012 London Olympic Games was published in 2008, four years before the implementation of the games. According to Shaun McCarthy, former chief commissioner in the Commission for a Sustainable London 2012, they “developed a comprehensive Sourcing Code early and engaged key industry bodies to develop it.”³⁶ According to McCarthy, the “key to success is (1) careful selection of suppliers, (2) providing education to suppliers (communication and education of the sourcing code), (3) managing performance, and (4) setting up an independent complaints mechanism.”³⁷

Regarding providers and contractors, as already mentioned, it is key to deliver a sustainable sourcing code that is vetted and transparent. The Sourcing Code for the Qatar 2022 FWC was published in April 2020. In Annex 1, the document contains a priority heat map, “a table intended to provide prospective business partners with the tournament organizers’ view on the priority areas of sustainability within their industry or sector.” It contains a list of categories of goods and services that will be procured by tournament organizers and a list of sustainability topics. There are three different colors (red, amber, and green) representing the likelihood or severity of potential impacts on the associated sustainability topic. There are 27 categories of supply: from printing services, construction services, food and beverage, to construction materials, merchandise, or logistics. The sustainability topics related to labor rights are the following: supply chain management, access to specific remedy, and industry-specific standards.

³⁵ Supreme Committee for Delivery & Legacy, “Sustainable Sourcing Code,” April 2020, www.qatar2022.qa/sites/default/files/documents/SC-Sustainable-Sourcing-Code-EN.pdf.

³⁶ “Sustainable Sourcing, Grievance Mechanisms, and Human Rights at Mega-Sporting Events Meeting Report Tokyo,” IHRB, September 13, 2017, www.ihrb.org/uploads/meeting-reports/Sustainable_Sourcing%2C_Grievance_Mechanisms%2C_and_Human_Rights_at_MSEs_-_Japan_Meeting_Report%2C_Sep_2017.pdf.

³⁷ *Ibid.*

³⁸ United 2026, “Proposal for a United Human Rights Strategy.”

It is worth mentioning that all the indicators related to workers' living and working conditions and recruitment in Qatar are either red or amber. In supply chain management and access to effective remedy, only three of the 27 categories of supply are assessed as low risk. They are the following: business and travel services, domestic appliances and mechanical, electrical and plumbing installations, and professional services. Regarding industry-specific standards, the only category that has low risks is professional standards.

Considering the time remaining until the Qatar 2022 FWC and the fact that the significant and positive reforms in the construction sector were implemented late —when most of the construction for the tournament had already been completed —, there is little time to implement the changes needed in all sectors.

Key moment for civil society participation #3: Human and Labor Rights Monitoring

The United 2026 Bid's commitment regarding follow-up engagement with CSOs to monitor labor rights in cities and across supply chains is rather weak. Initially, the Bid proposed the creation of a Human Rights Scorecard to guide the final selection of cities and monitor the human rights performance of each host city and its supply chains.³⁸ While the scorecard would have provided a baseline assessment for host cities, it presented limitations in terms of its comparability between cities outside of the U.S. and that it was to be updated every 24 months. Second, the scorecard was never really embraced by FIFA once the United 2026 Bid was selected, possibly since it would have required FIFA to adopt a coordinating role and harmonize host city committee strategies. Rather, FIFA has provided each candidate city with an independent risk assessment (developed by Ergon) and required them to provide a human rights report and assessment, which will allegedly be central to FIFA's final city selection. Cities will be evaluated based on their human rights standards, engagement with local stakeholders, enforcement capacity (grievance mechanisms, monitoring/inspections, and remedies), and transparency commitments.

Since the city human rights report will be the basis for monitoring progress at the municipal level, the scorecard has been displaced as a holistic framework to compare human rights and sustainability performance across cities and identify gaps in protection. This reflects FIFA's restrictive view of its leverage and responsibility regarding human rights and its plan to transfer the responsibility to host cities once it concludes the final selection. In this regard FIFA wants cities to make a public commitment to human rights and include local civil society stakeholders in the monitoring of those commitments, including local unions, labor rights organizations, and other advocates.

Since this process will potentially result in 16 different human rights strategies, cities could overlook at least two promises made by the United 2026 Bid:

- The “engagement with fully independent, credible organizations not under the financial control or otherwise influenced by brands or suppliers, to autonomously monitor labor rights throughout the entire supply chain, including conducting unannounced site visits and interviews with workers in locations and situations where they can speak freely.”³⁹

2. Human Rights in Sports: The Promise of the 2026 FIFA World Cup

- The inclusion of a series of escalation clauses in the procurement contract that would allow contracting parties to “require the contractor to explain the extent to which it has applied its own leverage to achieve compliance (evidence of due diligence).”⁴⁰

Finally, both the scorecard (and subsequent monitoring mechanisms being proposed in the city selection process) and the human rights reports are city-centered, rather than sector- or contractor-centered. For monitoring compliance with human rights and sustainability among its business partners, FIFA will likely embed commitments to human rights and sustainability in its own tender and contracting processes through a sourcing code, as explained above.

³⁹ *Ibid.*, 48.

⁴⁰ *Ibid.*, 48.

3. Key Actors in the 2026 FWC

Beyond the actors identified previously who must make commitments to FIFA, there is a large network of political and economic actors that participate in some way in MSEs and who must be identified as decision-makers for advocacy purposes. For example, private actors — including tournament broadcasters, stadium owners, private security companies, investors, contractors, subcontractors, and sponsors — are a central part of the 2026 FWC. This section is an initial power mapping exercise in order to begin to understand the distribution of power in the intricate web of actors participating in the 2026 FWC and to identify key decision-makers within supply chains, corporate structures, investors, and relevant regulators, including political and economic interests.

Understanding the role, interests, responsibilities, and influence of the diversity of actors involved in the different stages of the MSE life cycle helps target outreach and advocacy effectively as well as use precious civil society resources efficiently. This exercise focuses on identifying beneficial owners — those individuals that ultimately control a company — to understand who profits most from the staging of the World Cup. To the extent available, beneficial owners are identified, particularly those that will have a central role supplying products and services before and during the tournament. While the scope of this report is focused on the actors with interests in Mexico, this exercise should be replicated to include actors based in the U.S. where most of the games will take place.

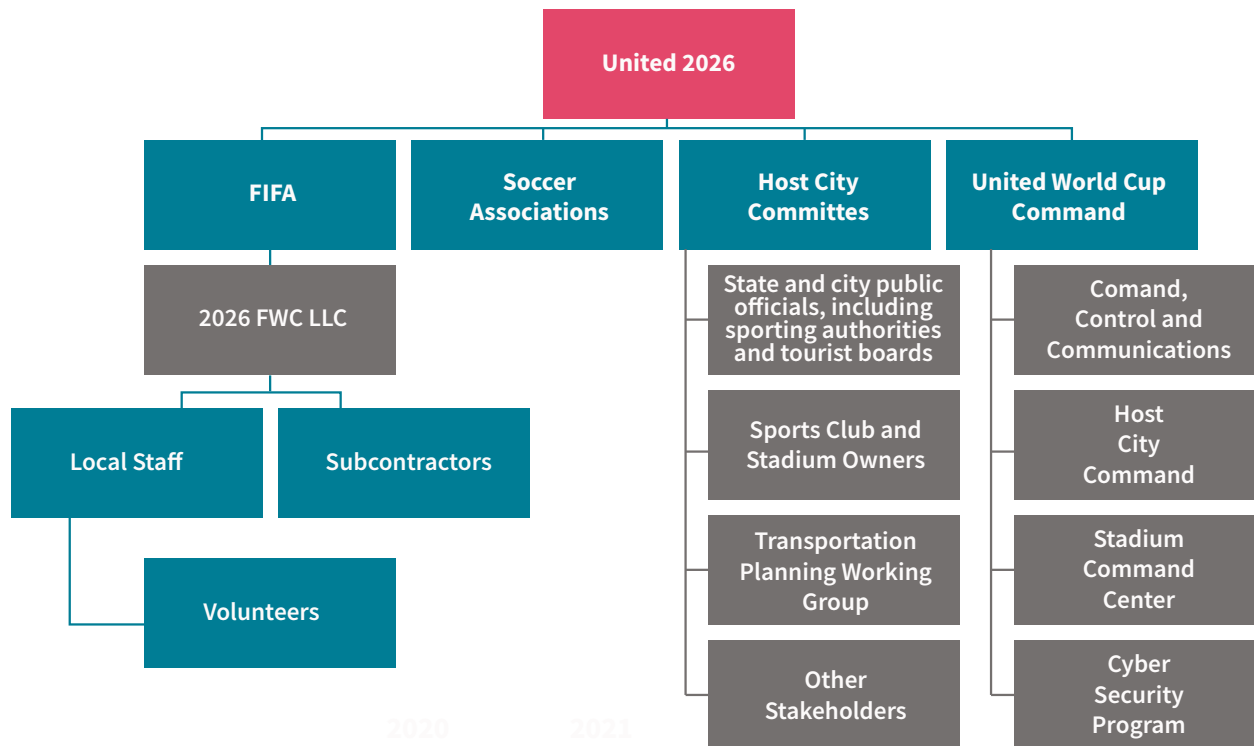
Despite the universe of potential grievances and negative impacts associated with an MSE, a central recommendation made by CSOs with relevant prior experience is defining a clear message and demand from FIFA, host city committees, and other private actors (contractors, sponsors, and licensees). Clarity in the message and in civil society's expectations helps build rapport and ensure adherence to the highest standards and parameters in terms of worker and human rights in general.

Finally, it is important to note that standard-setting and rights enforcement strategies are most effective when accompanied by capacity building and collective power in each city and workplace. For instance, local organizing was central to BWI's strategies to push forward worker rights in Qatar's construction sector. This is explored further in [Section 5](#).

3.1. Overview of Event Organizers

FIFA has yet to confirm the final management structure for the staging of the tournament and the division of responsibility with the soccer federations in the U.S., Mexico, and Canada. The following chart is based on information provided by FIFA and available in the United Bid book. It should be noted that this structure is by no means final and will need to be updated as new information becomes available.

Chart 4 – 2026 FWC Organizational Structure



Source: Empower. This structure has yet to be confirmed by FIFA.

Based on the United 2026 bid book and publicly available agreements signed with FIFA in the bidding phase, the following entities are expected to exist in the staging of the tournament:

- **The 2026 FIFA LLC and subsidiaries (if applicable):** Under new policies, FIFA will have greater control of the staging of 2026 FWC, for which it will set up a local joint venture in the U.S. together with the three football associations (2026 FWC LLC).⁴¹ It is not yet clear whether FIFA will incorporate local subsidiaries in Mexico and Canada. According to a FIFA Public Affairs Newsletter dated September 17, 2020, President Gianni Infantino met with U.S. President Donald Trump to “discuss the establishment of FIFA headquarters in the U.S. for the FIFA World Cup 2026.”
- **The Host City Committees,** which include state and municipal government officials, sports leaders, team owners, stadium owners, and others who provide political support in host countries.⁴² Although FIFA provides general guidelines, the structure of each committee ultimately depends on the host city.

⁴¹ This is similar to the structure used in Qatar, where FIFA (51%) incorporated the entity FIFA World Cup Qatar 2022 LLC, alongside the Qatar 2022 Local Organising Committee (49%), in February 2019 (three years prior to the tournament), to execute the “planning and delivery of operations and services.” “Media Release: FIFA and Qatar Announce Joint Venture to Deliver 2022 FIFA World Cup™,” FIFA, February 5, 2019, www.fifa.com/worldcup/news/fifa-and-qatar-announce-joint-venture-to-deliver-2022-fifa-world-cup™.

- **The Transportation Planning Working Group**, which includes “staff from the United Bid, local government and transportation representatives, police and safety officials, private carriers (bus, limo, taxi, and public transportation services), and bus, rail, and airport authority officials.”⁴³ The Working Group will collaborate with host cities to “identify and advocate for any legislation needed to enable transportation system operations.”⁴⁴ It is important to note that, although this Working Group is included in the bid, it is not a FIFA requirement and may not be included within each host city committee.
- **The United World Cup Command**, which is a centralized “forum” for the planning and management of all security matters related to the 2026 World Cup. As per the bid book, all three host countries are expected to sign a Memorandum of Understanding to “ensure integration, cooperation and consistency in their approach to security and safety.”⁴⁵ The Command will not only coordinate federal and local law enforcement agencies,⁴⁶ but also facilitate real-time intelligence sharing.⁴⁷ Local police will maintain jurisdictional authority for law enforcement in host cities and in stadiums. Based on the information available and interviews conducted by Empower, this memorandum has not yet been signed.

⁴² United Bid Committee, “Bid Book. United Bid to Host the 2026 FIFA World Cup,” FIFA, June 2018, 23, www.img.fifa.com/image/upload/w3yjeu7dadt5erw26wmu.pdf.

⁴³ *Ibid.*, 327.

⁴⁴ *Ibid.*, 327–28.

⁴⁵ “Bid Evaluation Report 2026 FIFA World Cup,” 170; *Ibid.*, 385.

⁴⁶ This includes the Federal Police in Mexico, the Department of Homeland Security in the U.S., and the Royal Canadian Mounted Police in Canada. *Ibid.*, 389.

⁴⁷ *Ibid.*

3.2. FIFA

FIFA, as a not-for-profit association regulated under the Swiss Civil Code, is “prevented from paying dividends or similar profit participations to its members” and its profits must be used to further its statutory objectives, that is “the development of football and the hosting and staging of football related events.”⁴⁸ In practice, FIFA is “a global regulator with the power to bend states to its will and to exercise regulatory authority over football’s ‘citizens’ worldwide.”⁴⁹ More importantly, its football tournaments generate billions in direct financial revenues and billions in economic impact. The World Cup is the most lucrative sporting event in the world and the main source of revenue for FIFA.

The United 2026 Bid’s conservative estimates claim a potential 14.3 billion USD in commercial revenues,⁵⁰ which amount to more than double those registered in Russia 2018.⁵¹ Of the estimated 14 billion USD, approximately 11 billion USD were initially estimated to make it back to FIFA.⁵² Experts suggest that this may have been the most important factor in awarding the 2026 World Cup to the United Bid. Danish journalist Jens Sejer Andersen explains that, “since the mid-1970’s, FIFA presidents have been elected and re-elected on one fundamental promise: That they would increase the revenues from broadcasting and marketing rights and make sure every single federation would get a constantly growing piece of the cake.”⁵³

Additionally, FIFA’s revenues stopped growing at the same speed partly due to the corruption scandals, and the United 2026 bid gives the association access to a market with the same type (and size) of sponsors that fled as a result of the scandals.⁵⁴

⁴⁸ FIFA, “Government Guarantees.”

⁴⁹ Antoine Duval and Daniela Heerdt, “FIFA and Human Rights – a Research Agenda,” *Tilburg Law Review* 25, no. 1, June 22, 2020, pgs. 1–11, <https://doi.org/10.5334/tilr.189>.

⁵⁰ In the 2015-18 financial period, FIFA reported a record 6.421 billion USD in revenue, of which 5.357 billion USD, or 83%, came directly from the Russia 2018 World Cup. See “FIFA Financial report 2018,” FIFA, resources.fifa.com/image/upload/xzshsoe2ayttyquuxhq0.pdf, 14.

⁵¹ “FIFA Financial report 2018,” FIFA, resources.fifa.com/image/upload/xzshsoe2ayttyquuxhq0.pdf, 12.

⁵² Andrew Das, “North American World Cup Bid Projects \$11 Billion Profit for FIFA,” *The New York Times*, May 8, 2018, www.nytimes.com/2018/05/08/sports/2026-world-cup.html; Jonathan Rest, “Unity. Certainty. Opportunity. And billions of dollars,” *Sportcal.*, June 8, 2018, www.sportcal.com/Insight/Features/118495 www.sportcal.com/Insight/Features/118495.

⁵³ Jens Sejer Andersen, “FBI vs. FIFA: How deep an impact?,” *Play the Game*, May 28, 2020, www.playthegame.org/news/comments/2020/1003_fbi-vs-fifa-how-deep-an-impact.

⁵⁴ *Ibid*; Das, “North American World Cup Bid Projects \$11 Billion Profit for FIFA.”

Table 2 – Revenue Streams for FIFA in 2015-18

Streams	Total (in million USD)	Percentage of Total
Television broadcasting rights	3,127	48.70%
Marketing rights	1,660	25.5%
Hospitality/accommodation rights and ticket sales	712	11.10%
Licensing rights	600	9.34%
Other revenue (FIFA Club World Cup, penalties, etc.)	322	5.01%
Total	6,421	100%

Source: Empower, based on FIFA report.⁵⁵

As seen in Table 2, FIFA’s main source of revenue comes from commercializing media and marketing rights for each tournament, followed by ticketing, which is estimated to reach 2.1 billion USD in 2026 due to the high capacity of the stadiums.

According to a 2018 study conducted by The Boston Consulting Group, the overall net benefit of the 2026 FWC to the region will be between 3-4 billion USD.⁵⁶ The study estimated that individual host cities could expect to see approximately 160-620 million USD in incremental economic activity. That translates to a net benefit of approximately 90-480 million USD per city after expenses.

It is important to emphasize that FIFA’s revenues have been significantly affected by COVID-19. According to its own statements in September 2020, football (as a whole) lost close to 14.4 billion USD to COVID-19 and 150 of its 211 member associations had applied for emergency COVID grants.⁵⁷ FIFA established a COVID-19 relief plan steering committee and announced a 1.5 billion USD program of grants and loans to help its members.⁵⁸

⁵⁵ “FIFA Financial report 2018,” 34.

⁵⁶ “Hosting the 2026 FIFA World Cup could create more than \$5 billion in economic activity for North America,” U.S. Soccer, February 8, 2018, www.ussoccer.com/stories/2018/02/hosting-the-2026-fifa-world-cup-could-create-more-than-5-billion-in-economic-activity-for-north-amer.

⁵⁷ Paul MacInnes, “‘It’s a Huge Number’: Fifa Believes Football Has Lost £11.1bn to COVID,” *The Guardian*, September 16, 2020, www.theguardian.com/football/2020/sep/16/fifa-believes-club-football-has-lost-11bn-to-COVID-one-third-revenue.

⁵⁸ *Ibid.*

In the context of a pandemic, MSEs become hotspots for infection which make them high risk. In March 2020, the Tokyo Olympic and Paralympic Games, originally scheduled to start in July 2020, were postponed to 2021 and had to be scaled down to cut costs, and continue to be at risk of being canceled.⁵⁹ The pandemic will inevitably have long-lasting effects on MSEs in terms of logistics, financing, and risk management. Restriction on travel and gathering, for instance, could considerably affect all MSE revenues, which are dependent on ticketing and hospitality. Lower revenues and higher costs could impact access to financing for all parties involved in the staging of the tournament.

High-level Corruption Involving FIFA Broadcasting Companies

In the last five years, there have been two major corruption cases involving FIFA and television broadcasting companies in the region, which have ended up being litigated in the U.S. In 2015, Fox and NBC Universal's Telemundo (U.S.) and CTV/TSN (Canada) extended their agreements with FIFA for the exclusive broadcasting rights of its tournaments up to and including the 2026 World Cup.⁶⁰ According to *The New York Times*, Fox paid more than 400 million USD to broadcast the 2018 and 2022 World Cups. Telemundo paid about 600 million USD.⁶¹

On April 6, 2020, the U.S. District Court for the Southern District of New York unsealed the indictment of several former executives of three broadcasting and/or marketing companies related to high-level corruption in FIFA.⁶² U.S. prosecutors accused former high-ranking Fox executives of participating “in a scheme involving the annual payment of millions of dollars in bribes to officials of CONMEBOL [the South American Football Confederation, a member of FIFA] in exchange for the lucrative broadcasting rights to the Copa Libertadores, the region’s most popular club tournament, among other events.”⁶³

⁵⁹ “Tokyo Olympics: Games Will Go Ahead ‘with or without COVID’, Says IOC VP,” *BBC News*, September 7, 2020, www.bbc.co.uk/news/world-asia-54052669.

⁶⁰ “FIFA places media rights in US and Canada until 2026,” FIFA, February 12, 2015, www.fifa.com/who-we-are/news/fifa-places-media-rights-in-us-and-canada-until-2026-2523607; “FIFA awards US TV Rights for 2015-2022,” FIFA, October 21, 2011, www.fifa.com/who-we-are/news/fifa-awards-rights-for-2015-2022-1530715.

⁶¹ Wagner, James, “Telemundo Has a Big Goal: Win the World Cup,” *The New York Times*, June 23, 2018, www.nytimes.com/2018/06/23/sports/world-cup/telemundo-fox.html.

⁶² These include U.S. company 21st Century Fox, Inc., Spanish sports media company, Imagina Media Audiovisual SL, and Uruguayan sport marketing company Full Play Group S.A., on charges related to wire fraud, money laundering, and — for two executives — racketeering conspiracy. U.S. Attorney’s Office Eastern District of New York, “Three Media Executives and Sports Marketing Company Indicted in FIFA Case,” U.S. Department of Justice, April 6, 2020, www.justice.gov/usao-edny/pr/three-media-executives-and-sports-marketing-company-indicted-fifa-case.

⁶³ *Ibid.*

Media rights agreements between FIFA and Mexican broadcasters have also ended up in court.⁶⁴ Televisa is facing a class action brought by shareholders in the U.S. District Court for the Southern District of New York, led by the College of Applied Arts & Technology Pension Plan (CAAT),⁶⁵ a shareholder in Televisa American Depository Receipts (ADR). They are seeking compensation for their losses resulting from alleged bribes paid by a subsidiary — Swiss company Mountrigi Management Group Ltd. — to former FIFA executive Julio Grondona in exchange for the broadcasting rights to the 2018, 2022, 2026, and 2030 World Cups in Argentina, Paraguay, and Uruguay. On March 25, 2019, the District Court for the Southern District of New York denied Televisa’s motion to dismiss the class action and the process is ongoing.⁶⁶

3.3. Football Associations

FIFA operates as a business to the extent it seeks to maximize revenues for itself and its members, which includes 209 national football associations, all part of six continental confederations.⁶⁷ The associations that worked on the United 2026 Bid and were part of the United Bid Committee are the United States Soccer Federation (USSF), Canadian Soccer Association (CSA), and Federación Mexicana de Fútbol Asociación, A.C. (FMF), which are all part of the CONCACAF (Confederation of North, Central American and Caribbean Association Football).

FIFA distributes money to national federations through the FIFA Forward Development Programme to “share the success of the FIFA World Cup with our member associations.”⁶⁸ The first iteration of the program (Forward 1.0) began in May 2016 and lasted until 2018.⁶⁹ FIFA Forward 2.0 began in 2019 and will continue until 2022. According to the 2019 FIFA financial report, FMF obtained 3.851 million USD through Forward 1.0 and received 1 million in 2019 USD.⁷⁰ CONCACAF received 12 million USD in 2019 and 30 million USD for its implementation of Forward 1.0.⁷¹

⁶⁴ Class Action Complaint v. Grupo Televisa, S.A.B., Emilio Fernando Azcarraga Jean and Salvi Rafael Folch Viadero (U.S. District Court Southern District of New York March 5, 2018).

⁶⁵ “Grupo Televisa, S.A.B. (NYSE: TV),” Bragar Eigel & Squire, P.C, April 2, 2018, www.bespc.com/tv.

⁶⁶ Grupo Televisa Securities Litigation, No. 18 Civ. 1979 (U.S. District Court Southern District of New York March 25, 2019).

⁶⁷ Ruggie, “For the Game. For the World.’ FIFA and Human Rights.”

⁶⁸ “FIFA Forward Programme,” FIFA, accessed October 2020, www.fifa.com/what-we-do/fifa-forward/fifa-forward-programme.

⁶⁹ *Ibid.*

⁷⁰ FIFA Annual Report 2019, FIFA, www.fifa.com/image/upload/ksndm8om7duu5h8qxlpn.pdf, p. 208.

⁷¹ *Ibid.*, p. 204.

Robert Kraft, Honorary Chairman of the United 2026 Bid Committee

Robert Kraft was honorary chairman of the United 2026 Bid Committee and was publicly recognized by President Donald Trump for his advice after winning the bid. Kraft is Chairman and CEO of The Kraft Group, a holding company with interests in paper and packaging, sports and entertainment, and real estate. Kraft Group owns and operates the Gillette Stadium located in Boston, Massachusetts, home of The New England Patriots (National Football League) and The New England Revolution (Major League Soccer) teams, also owned by The Kraft Group.⁷² In preparation for the bid, Kraft established a non-profit called Boston Soccer 2026 “to raise money to cover the costs of hosting games at Foxborough’s Gillette Stadium.”⁷³

According to *Forbes*, Kraft has a net worth of 6.6 billion USD.⁷⁴ Kraft has received public attention for his close friendship with President Trump (Kraft Group donated 1 million USD to Trump’s inaugural committee) and, in 2017, he was named in the Paradise Papers for incorporating an offshore company in Bermuda.⁷⁵ In 2019, Kraft faced two “misdemeanor charges of soliciting prostitution at a massage parlor in Jupiter, Fla.,” though they were dropped in September 2020.⁷⁶

The three national football associations are also FIFA’s main partners in the staging of the event and will receive a stake of the tournament’s revenues through their participation in the 2026 FWC LLC, the local FIFA subsidiary. As a key partner in the 2026 FWC, FMF is acting as the main intermediary and representative for FIFA with the national and local governments in Mexico. FMF is particularly interested in obtaining an inaugural match to be played in one of the three Mexican host cities.

FMF is also incorporated as a non-profit association and is headquartered in Toluca, State of Mexico.⁷⁷ Yon de Luisa is president of FEMEXFUT and vice-president of CONCACAF since March 2019. Although de Luisa did not participate in the 2026 United Bid

⁷² See www.thekraftgroup.com.

⁷³ Cameron Smith, “Should We Let Robert Kraft Bring the 2026 FIFA World Cup to Boston?” *The Boston Globe*, June 5, 2018, www.bostonglobe.com/magazine/2018/06/05/should-let-robert-kraft-bring-fifa-world-cup-boston/3lZc4wm0lSKUBqE0M-7hV6J/story.html.

⁷⁴ “Robert Kraft,” *Forbes*, accessed October 30, 2020, www.forbes.com/profile/robert-kraft.

⁷⁵ Jon Swaine, “Trump Ally Robert Kraft Revealed as Longtime Owner of Offshore Firm,” *The Guardian*, November 9, 2017, www.theguardian.com/news/2017/nov/09/donald-trump-robert-kraft-owner-offshore-firm-new-england-patriots-paradise-papers.

⁷⁶ Kevin Draper, “Robert Kraft’s Other Problem: Soccer,” *The New York Times*, March 15, 2019, www.nytimes.com/2019/03/15/sports/soccer/robert-kraft-revolution.html; Ken Belson, “Robert Kraft, After Long Fight, Has Solicitation Case Dismissed,” *The New York Times*, September 24, 2020, www.nytimes.com/2020/09/24/sports/football/robert-kraft-video-surveillance-case.html.

⁷⁷ “Estatuto Social,” Federación Mexicana de Fútbol Asociación, A.C., 2015, www.fmf.mx/docs/Reglamentos/Estatuto_Social.pdf.

Committee on behalf of FMF, he was then vice-president of Televisa's sports division and acted as Mexico's United Bid director.⁷⁸ Mauricio Culebro, current COO at FMF, is representing FMF in 2026 FWC-related activities.

It is important to note that, as a non-profit, FMF does not provide any disclosure regarding its financial or business activities. However, in early 2017 it created a Commercial Committee to oversee commercial rights for the National Football Team. Shortly thereafter, FMF signed a deal for broadcasting rights with the two major companies in Mexico, Televisa and TV Azteca, for 35 million USD per year during the period 2018-26.⁷⁹

FMF also has a commercial agreement with Soccer United Marketing (SUM) for the matches it plays in the U.S. in which SUM coordinates and markets the games, including broadcast deals.⁸⁰ SUM is the commercial arm of Major League Soccer and has been U.S. Soccer's marketing partner for over 15 years, overseeing all commercial rights and sponsorships for the federation.

Red Flags Involving FMF and Mexican Football Clubs

FMF and the Mexican Football Clubs have been associated with significant reputational and regulatory issues. Key issues associated with the sports industry in Mexico in the last five years include the following:

- **Links to FIFA-related corruption:** In September 2020, FMF was linked to the FinCEN leaks investigations led by *BuzzFeed News* and ICIJ. According to a suspicious activity report filed by Deutsche Bank, in 2015 FMF sent money to entities and individuals that were convicted in the FIFA-related corruption case in the U.S.⁸¹ There are no formal charges against FMF as of October 2020.
- **Links to organized crime:** The link between organized crime and football in Mexico is not new.⁸² One of the most reported cases is that

⁷⁸ "Adiós a Yon de Luisa, hay nuevo jefe en Televisa Deportes," *La Silla Rota*, March 8, 2028, www.lasillarota.com/deportes/adios-a-yon-de-luisa-hay-nuevo-jefe-en-televisa-deportes-yon-de-luisa-televisa-nombramiento-univision/209635.

⁷⁹ "FMF Obtendrá 35 Mdd al Año Por La Selección," *El Economista*, October 1, 2017, www.eleconomista.com.mx/deportes/FMF-obtendra-35-mdd-al-ano-por-la-seleccion-20171002-0084.html; Juan Carlos González César, "Las potencias financieras de Concacaf: Femexfut y US Soccer," *Deportes Inc* (blog), June 10, 2017, www.deportesinc.com/investigacion-deportes-inc/presupuesto-de-femexfut-y-us-soccer.

⁸⁰ Tom Marshall, "Mexico Won't Play in U.S. until Summer 2021," *ESPN*, October 28, 2020, www.espn.com/soccer/mexico-mex/story/4220391/mexico-wont-play-in-us-until-summer-2021says-federation-chief; Isaac Krasny, "Unpacking the Major League Soccer Business Model," *Medium* (blog), June 7, 2017, www.medium.com/@isaac_krasny/unpacking-the-major-league-soccer-business-model-827f4b784bcd.

⁸¹ Samuel Adam and Daniel Melchor, "Deutsche Bank Reportó Transferencias de Femexfut a Ligados a Escándalo Del Fifa-Gate," *Mexicanos Contra La Corrupción y La Impunidad* (blog), September 22, 2020, www.contralacorrupcion.mx/deutsche-bank-reporto-transferencias-de-femexfut-a-ligados-a-escandalo-de-fifa-gate.

⁸² Geoffrey Ramsey, "10 formas en las que el fútbol y el crimen organizado se mezclan en Latinoamérica," *InSight Crime* (blog), May 30, 2014, www.es.insightcrime.org/noticias/analisis/10-formas-futbol-crimen-organizado-mezclan-latinoamerica.

of Tirso Martínez Sánchez, the former owner of two football clubs in Mexico (Querétaro and Irapuato) who was arrested in 2014, extradited to the U.S. in 2015, and found guilty on charges of drug trafficking and money laundering; he was a key witness in the trial against drug kingpin Joaquin “El Chapo” Guzmán.⁸³ In 2017, national professional football player Rafael Márquez Álvarez was designated by the U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC), alongside other individuals, for alleged links to organized crime.⁸⁴ Following the designation, the Mexico’s *Procuraduría General de la República* (PGR), in collaboration with the Finance Ministry’s *Unidad de Inteligencia Financiera* (UIF), seized diverse assets owned by Márquez. Another 42 entities were also designated.⁸⁵ In August 2018, Márquez was removed from the Specially Designated Nationals and Blocked Persons List.⁸⁶

- **Money laundering:** The football industry is considered by the UIF as a high-risk sector for money laundering. In September 2019, the UIF initiated investigations into several Mexican football clubs due to potential involvement in money laundering; one month later it signed an agreement with FMF for it to support its investigations.⁸⁷ In May 2020, the UIF announced it was investigating Mexican football club Cruz Azul and directors Billy and Alfredo Álvarez for their alleged participation in money laundering.

Lacking Commitment to Human Rights

Although FIFA has incorporated a human rights perspective into its by-laws and policies, its three partner football associations in the 2026 FWC have not, nor have they made public commitments to the UNGPs.

FMF’s website makes no mention or reference to human rights, nor are there references to its by-laws or Code of Ethics. As values FMF’s website highlights quality, inclusion, respect, honesty, integrity, and teamwork and confirms FMF’s commitment against any form of

⁸³ “Tirso Martínez: el soplón que cooperó contra el Chapo, se salvó de la cadena perpetua y saldrá de prisión en un par de años,” *Infobae*, February 20, 2020, www.infobae.com/america/mexico/2020/02/20/tirso-martinez-el-soplón-que-cooperó-contra-el-chapo-se-salvo-de-la-cadena-perpetua-y-saldria-de-prision-en-un-par-de-anos.

⁸⁴ “Treasury Sanctions Longtime Mexican Drug Kingpin Raul Flores Hernandez and His Vast Network,” U.S. Department of the Treasury, August 9, 2017, www.treasury.gov/press-center/press-releases/Pages/sm0144.aspx.

⁸⁵ *Ibid.*

⁸⁶ “La SHCP ordena desbloquear cuentas bancarias de Rafa Márquez,” *Proceso*, August 7, 2018, www.proceso.com.mx/deportes/2018/8/7/la-shcp-ordena-desbloquear-cuentas-bancarias-de-rafa-marquez-210043.html.

⁸⁷ “Hacienda investiga a varios equipos de fútbol por supuesto lavado de dinero,” *Expansión*, September 25, 2019, www.expansion.mx/empresas/2019/09/25/hacienda-investiga-a-varios-equipos-de-futbol-por-supuesto-lavado-de-dinero.

discrimination (for which it links to FIFA’s diversity and anti-discrimination guidelines). FMF does reference an internal social responsibility policy (although this is not further explained) and is a supporter of the “Jugamos Todos” program, created to promote exercise and a healthy lifestyle among kids in Mexico, together with the Mexican Ministry of Health, Ministry of Education, and FIFA.⁸⁸ In its Code of Ethics, Article 18 does mention a responsibility to sustainability, stating that “All subjects must observe the universally accepted ethical principles of sustainability and promote practices of preservation and improvement of the environment, mainly around their field of action.”⁸⁹

United States Soccer Federation, Inc. (U.S. Soccer) is registered as a 501(c)(3) non-profit organization based in Chicago, Illinois, and is governed by a series of by-laws and policies adopted by a Board of Directors and the National Council.⁹⁰ Although it does reference non-discriminatory and inclusion language throughout, there is no specific mention of human rights or the UNGPs in official documents or on its website. Its only obligation to human rights is by association with FIFA since, according to its by-law 103, it is required “to respect the statutes, regulations, directives, and decisions of FIFA and of CONCACAF, and to ensure that these are likewise respected by their members.” In June 2020, U.S. Soccer announced its support for the Black Lives Matter movement and voted to repeal Policy 604-1, which had required its players to stand during the national anthem.⁹¹

The Canada Soccer Association approved its Rules and Regulations in March 2020 and adopted a Code of Ethics in September 2017.⁹² The only reference to human rights in either document is in its definition of misconduct, point 14.3 of the Rules and Regulations, which states that: “it shall be deemed misconduct if any person or organization has, in the judgment of a Discipline Hearing Committee, following a hearing of that Committee, committed any of the following offenses: ... iv. Criminal misconduct or human rights abuse.”⁹³

Football Player Activism

Players are in the spotlight of the tournament and their constructive engagement can contribute to push the human rights agenda. Athlete activism has gained momentum lately with U.S. athletes supporting the Black Lives Matter movement as well as with the years-long battle of the women’s national team against gender discrimination.

⁸⁸ “Acerca de,” Jugamos Todos, accessed October 2020, www.jugamostodos.mx/acerca_de.

⁸⁹ “Código de Ética,” Federación Mexicana de Fútbol Asociación, A.C., 2015, www.fmf.mx/docs/Reglamentos/Estatuto_Social.pdf.

⁹⁰ These by-laws specifically refer to the See “Bylaws and Policies,” U.S. Soccer, 2020, www.ussoccer.com/governance/bylaws.

⁹¹ “The policy was put in place after Megan Rapinoe kneeled in solidarity with the peaceful protest inspired by Colin Kaepernick, who was protesting police brutality, and the systematic oppression of black people and people of color in America. It has become clear that this policy was wrong and detracted from the important message of Black Lives Matter.” “U.S. Soccer Board of Directors votes to repeal national anthem policy,” U.S. Soccer, June 10, 2020, www.ussoccer.com/stories/2020/06/us-soccer-board-of-directors-votes-to-repeal-policy-national-anthem-policy.

⁹² “Rules and regulations,” Canadian Soccer Association, March 2020, www.canadasoccer.com/wp-content/uploads/resources/About/EN/20200327_CanadaSoccer_RulesandRegs_EN.pdf?file=pdffilename.

⁹³ *Ibid*, p. 21.

Not only do women face significant wage gaps, but they also receive less funding and support.⁹⁴ Athlete empowerment is key to democratize sports institutions, which tend to rely on national federations. Although these issues reflect wider structural issues and the restrictive regulatory practices by sports institutions, in the context of the 2026 FWC athletes could be key allies in pushing forward a human rights strategy within national soccer associations.

In Mexico, professional football players are becoming a national reference in their fight for worker rights, which could influence the debate around collective bargaining and labor reform at a national level. In October 2017, after years of failed attempts at establishing an independent union for professional soccer players,⁹⁵ a group of prominent Mexican players founded the AM FUT PRO, A.C. (the Mexican Association of Professional Footballers or AMFPro), which later became a member of FIFPro, the global representative organization for professional football players.⁹⁶ In its first year, the AMFPro actively contributed to end the so-called “gentlemen’s agreement,” a verbal agreement between the owners of the clubs that prevented players from negotiating directly with another Mexican football club without the authorization of their current employer. This practice went against FIFA’s statutes regarding transfer of players.

Another major issue taken on by AMFPro since 2019 involves the irregular contracting of players in the Tiburones Rojos club in Veracruz.⁹⁷ In October 2019, the players went on strike after the football club stopped paying their salaries for several months. Media outlets reported that some of the players had not even signed an actual contract, while others had two contracts: one that was presented to the FMF and another that established additional payments for image rights, made through a shell company. The Tiburones Rojos were expelled by FMF from the LigaMX in December 2019, though the dispute over payments continued.⁹⁸

In April 2020, the current president of AMFPro, Álvaro Ortiz, declared that their next goal is to “create a collective bargaining agreement to protect all the players and standardize a base salary for all divisions. We hope that soccer players have major medical insurance, a retirement plan, life insurance. In short, better working conditions.”⁹⁹ In October 2020, Ortiz stated that the CBA was almost ready to be presented to the FMF.¹⁰⁰

⁹⁴ Duval and Heerdt, “FIFA and Human Rights – a Research Agenda.”

⁹⁵ “¿Por qué los futbolistas no tienen sindicato?” *El Informador*, July 14, 2013, www.informador.mx/Suplementos/Por-que-los-futbolistas-no-tienen-sindicato-20130714-0199.html.

⁹⁶ “2017, año de creación de la AMFpro,” AMFPro, accessed October 30, 2020, www.amfpro.mx/amf/antecedentes-de-amf.

⁹⁷ “AMFPro pide a la FMF transparencia con adeudos del Veracruz,” *AS México*, May 27, 2020, www.mexico.as.com/mexico/2020/05/27/futbol/1590592732_474042.html.

⁹⁸ *Ibid.*

⁹⁹ Luna, Édgar, “AMFPro va por contrato colectivo en el futbol mexicano,” *Universal Deportes*, April 6, 2020, www.eluniversal.com.mx/universal-deportes/futbol/amfpro-va-por-contrato-colectivo-en-el-futbol-mexicano.

¹⁰⁰ Jonathan Collazo, “Contrato colectivo y fondo de ahorro para los futbolistas; la nueva misión de la AMFpro,” *MedioTiempo*, October 19, 2020, www.mediotiempo.com/futbol/contrato-colectivo-fondo-ahorro-futbolistas-mision-amfpro.

At the same time, it is important to mention that AMFPro has not been the only initiative to unionize professional players in Mexico and it has received scrutiny over its lack of independence from FMF. According to *El Universal* journalist Daniel Blumrosen in May 2018, AMFPro received 17 million MXN annually from FMF.¹⁰¹ This pays for the salary of the president, Álvaro Ortiz, which amounts to 1,966,000 MXN per year. To be a credible organization, it is key to ensure independence from FMF.

3.4. Host Governments

Host governments at the national, state, and city levels are responsible for ensuring the necessary conditions for the successful organization of the tournament. Prior to the selection of the United 2026 Bid, at FIFA's request the Canadian, Mexican, and U.S. governments committed to hosting the event, which included a letter of support from President Trump.¹⁰² Bidding governments also had to provide six Government Guarantees and a Government Declaration to provide political support and commitment at the highest levels. The six Guarantees relate to: immigration; work permits; tax exemptions and foreign exchange undertakings; safety and security; telecommunications and information technology; and indemnification and other legal issues. (See structural issues in cities in [Section 5.2](#))

Therefore, while FIFA negotiations are primarily made at the city level, some concessions require the involvement of state and/or national governments. In Mexico, the Ministry of Foreign Affairs (SRE) has been charged with engaging in sports diplomacy and organizing efforts around the tournament's legacy. A special body within the SRE's Mexican Agency of International Cooperation for Development (*Agencia Mexicana de Cooperación Internacional para el Desarrollo – AMEXCID*)¹⁰³ called the Technical Council for Diplomacy and Sports Cooperation (*Consejo Técnico de Diplomacia y Cooperación Deportiva*), created in December 2019, is working directly with the CSHR and FEMEXFUT. In a conversation with the Council's director, María José Alcalá Izguerra, she mentioned that the federal government was in the process of creating a “mechanism” involving all relevant government agencies — such as those working on issues of corporate investments, tourism, and place promotion — to coordinate efforts around the 2026 FWC.

Government spending in the context of FIFA will likely be executed at the state and city levels, though financing may come from the federal government. Government spending plans are largely determined by electoral calendars. The next federal elections in Mexico are in June 2024, two years before the competition. These will overlap with state and municipal elections in Mexico City (CDMX) and Jalisco (Guadalajara), while local elections in Nuevo León (Monterrey) are planned for June 2021. As such, the federal and CDMX and Jalisco state budgets will be largely finalized by early 2025.

¹⁰¹ Daniel Blumrosen, “Ni tan independientes,” *El Universal*, May 8, 2018, www.eluniversal.com.mx/universal-deportes/futbol/la-amfpro-depende-de-la-fmf.

¹⁰² “Bid Evaluation Report 2026 FIFA World Cup,” 114.

¹⁰³ See www.gob.mx/amexcid.

City Governments

All the host city candidates have already signed a Host City Agreement. While these agreements do not contain a complete, detailed, and final list of obligations, they do establish the general role and responsibility of each signatory party, which includes the city government, FIFA, and the national football federation. FIFA will send to the cities the final version of Host City Requirements by June 30, 2023.

According to the Host City Agreement signed with the City of Seattle, made public through a freedom of information request, each city must appoint a Host City Officer, “responsible for the overall coordination of all activities and matters of the Host City Authority...[and] act as primary local contact for all coordination and communication matters of the Host City with the member association, FIFA and the 2026 FWC Entity as well as with the Government and all competent local, regional and national governmental authorities.”¹⁰⁴

In that sense, city governments are expected to underwrite a significant portion of the costs.¹⁰⁵ The most evident costs are those associated with security measures, transportation, and the organizing of FIFA-related events (such as the Fan Fests in public spaces). Host governments are also expected to protect the commercial rights of FIFA and its business partners throughout the duration of the tournament.

Agreements between FIFA and host cities will inevitably need to factor in the long-lasting effects of the COVID-19 pandemic. To start, city governments in the U.S. are under considerable financial strain.¹⁰⁶ The economic crisis has also exacerbated indebtedness and inequality across cities, which will make the diversion of public funds toward the 2026 FWC even harder to justify.

Tax Exemptions and Commercial Right Protections

Every World Cup bid grants FIFA and partners significant tax exemptions which, according to FIFA, are justified due to the global attention and investment associated with the tournament and its contributions to “significant mid- and long-term socioeconomic benefits for the Host Country/Host Countries, as well as economic growth. significant mid- and long-term socioeconomic benefits for the Host Country/Host Countries, as well as economic growth.”¹⁰⁷ As such, in the bidding process for the 2026 FWC, FIFA required bidders to provide a tax-free environment and incorporated tax assessment criteria in the final bid selection.¹⁰⁸

¹⁰⁴ Host City Agreement between FIFA, USSF, and the City of Seattle, clause 5.3.

¹⁰⁵ “United 2026: An Opportunity to Score Big for Workers!”

¹⁰⁶ Patrick Mathurin, Ortenca Aliaj, and James Fontanella-Khan, “Pandemic Triggers Wave of Billion-Dollar US Bankruptcies,” August 21, 2020, sec. US employment, www.ft.com/content/277dc354-a870-4160-9117-b5b0dece5360.

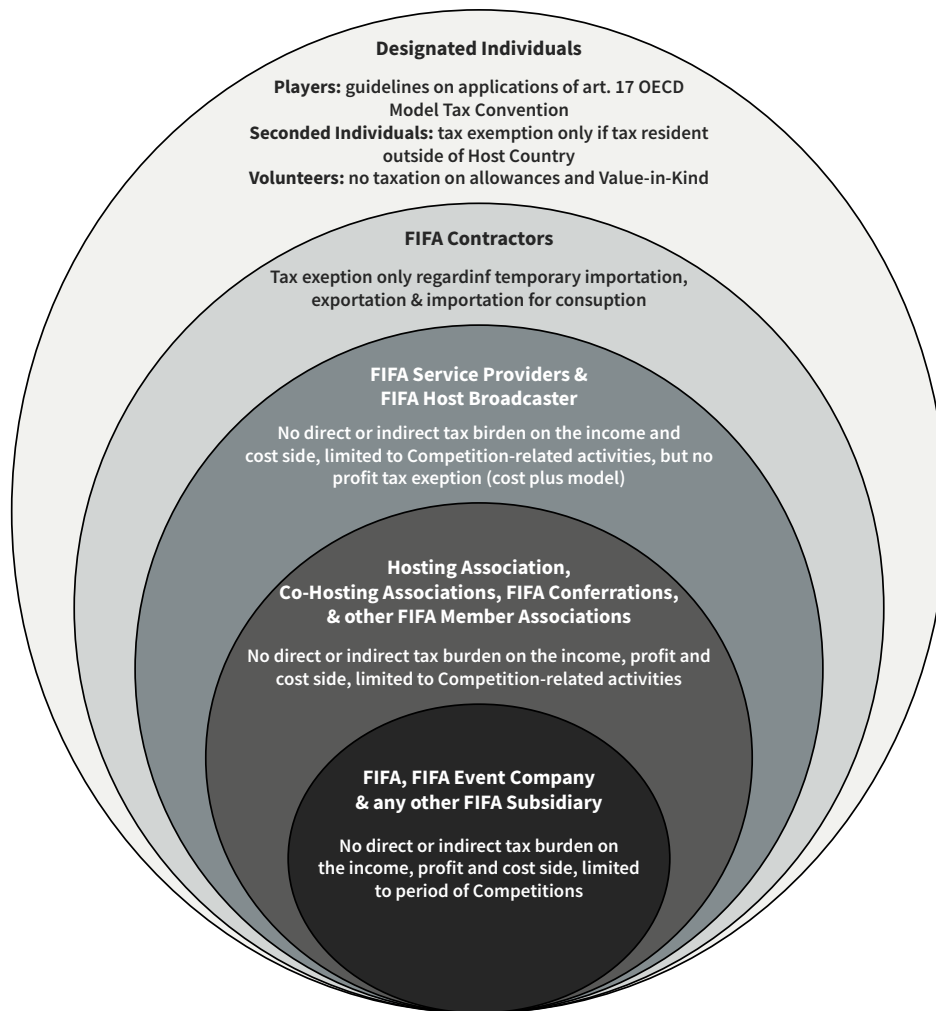
¹⁰⁷ FIFA, “Government Guarantees.”

¹⁰⁸ “Bidding process for the 2026 FIFA World Cup,” FIFA, June 13, 2018, www.resources.fifa.com/image/upload/overview-of-scoring-system-for-the-technical-evaluation-of-2026-fifa-world-cup-b.pdf?cloudid=eg1fnzj6q9ik5mggkwi, 15, 45.

The United 2026 bid evaluation evidenced that tax exemptions were not equally guaranteed in all three countries. At the moment of the bid, only Mexico had provided FIFA with the third guarantee. The U.S. did not submit a tax exemption guarantee and referred to an existing bilateral tax agreement between Switzerland and the U.S., by which FIFA will be exempt to pay taxes on advertising, ticketing, and hospitality. Canada also disregarded the third guarantee and referred to the concessions made by the Federal Government for the FIFA Women’s World Cup in 2015, which granted customs and tax benefits on the importation of goods.

Different levels of tax exemptions apply to FIFA and other third parties involved in the hosting and staging of the tournament, including “Host Association/Host Associations, the continental football confederations, the FIFA member associations, the Host Broadcaster, FIFA’s service providers, FIFA contractors and certain designated individuals.”¹⁰⁹

Chart 5 – Entities that Benefit from FIFA Tax Exemptions



Source: FIFA, 2018.¹¹⁰

¹⁰⁹ FIFA, “Government Guarantees.”

3.5. Stadium Owners

According to the 2026 United Bid, 13 of the stadiums in host city candidates are publicly owned and 10 are privately owned. In total, 18 of the stadiums are operated by private companies. FIFA World Cup stadiums are obliged to comply with FIFA stadium requirements and guidelines, which include being certified as a LEED green building. As such, they are also key FIFA partners in the sustainability strategy for the 2026 FWC. The sustainability of a stadium is based on several criteria, including transportation and accessibility, environmental protection, energy and water use efficiency, the use of efficient and sustainable materials, and waste management practices. Given that each host city candidate has an existing stadium, there will be no major construction or infrastructure upgrades for the 2026 FWC, which significantly reduces related labor risks and environmental impacts.¹¹¹ (See construction and stadiums renovations in [Sección 4.4](#))

Nevertheless, stadium operations rely on a city's telecommunications, transportation, energy, and waste management infrastructure and therefore are affected by urban development policies. As such, stadium owners will participate in host city committees and will almost certainly influence policies around the event. In the three Mexican cities, the stadiums are in marginal areas of the cities, which represent other types of risks for local communities.

As detailed below, the three stadium owners in the Mexican host cities are private companies with significant economic and political influence and all three are owners of an associated Mexican football club. As stadium owners, they are central in the web of contractors participating in the tournament. Specifically, stadium owners will be responsible for renovations and providing private security in and around the premises.

The BBVA Bancomer Stadium, Owned by FEMSA in Monterrey

The Rayados stadium in Monterrey is located in the Guadalupe municipality in the metropolitan area of the city of Monterrey. The stadium, branded the BBVA Stadium, was inaugurated in August 2015 and was awarded a Leadership in Energy and Environmental Design (LEED) silver certification by the U.S. Green Building Council in February 2017.¹¹² It was designed by the architecture firms Populous and VFO Architects for Fomento Económico Mexicano, S.A.B. de C.V. (FEMSA) and built by the contractor Constructora Maiz Mier, also headquartered in Monterrey.¹¹³ Key suppliers of the stadium include Schneider Electric, BASF, and Daktronics.¹¹⁴

¹¹⁰ *Ibid.*, 5.

¹¹¹ ARUP and United Bid Committee, "Environmental Impact Assessment - Executive Summary," FIFA, March 16, 2018, www.img.fifa.com/image/upload/oapcqj2335fexqnlb5oc.pdf.

¹¹² "Casa Rayada: LEED-Erando En Sostenibilidad," Sitio Oficial Del Club de Futbol Monterrey (blog), February 19, 2017, www.rayados.com/noticias/11040/casa-rayada-leed-erando-en-sostenibilidad.

¹¹³ "Estadio BBVA Bancomer (Rayados Soccer Stadium)," Invisible Structures, accessed October 5, 2020, www.invisiblestructures.com/project/estadio-bbva-bancomer-rayados-soccer-stadium/; "\$200m Estadio BBVA Bancomer Opens as a New Model for Mexican Stadia," *PanStadia & Arena Management* (blog), August 3, 2015, www.psam.uk.com/200m-estadio-bbva-bancomer-opens-as-a-new-model-for-mexican-stadia.

¹¹⁴ See www.arquired.com.mx/arq/arquitectura/5-innovaciones-energeticas-del-estadio-bbva-bancomer-monterrey-lider-internacional-en-certificacion-leed-plata; www.avinteractive.com/news/displays/daktronics-delivers-led-displays-for-estadio-bbva-bancomer-29-07-2015/; and www.assets.master-builders-solutions.com/es-mx/caso%20de%20exito%20-%20estadio%20bbva%20bancomer%20monterrey.pdf.

The Club de Fútbol Monterrey, S.A. de C.V is owned by FEMSA, a multinational beverage and retail company headquartered in Monterrey and the largest Coca-Cola bottler in Latin America. FEMSA operates four main business segments: sugared drinks, through its subsidiary Coca-Cola FEMSA, S.A.B. de C.V. (Coca-Cola FEMSA); retail, which includes OXXO stores, pharmacies, and gas stations, all structured under FEMSA Comercio, S.A. de C.V. (FEMCO); and beer production and distribution through a non-controlling interest in Heineken Group.¹¹⁵ Both FEMSA and Coca-Cola FEMSA are publicly listed on the Mexican Stock Exchange (BMV). Coca-Cola FEMSA further lists American Depositary Shares (ADS) on the New York Stock Exchange (NYSE:KOF).

In September 2020, FEMSA was controlled by members of the Garza Lagüera family through an administrative trust (Irrevocable Trust No. 463) that owns 38.69% of capital and 74.9% of voting shares.¹¹⁶ Coca-Cola FEMSA, in turn, is controlled by FEMSA, which holds 47.2% of its capital stock, equivalent to 56% of voting rights. The Coca-Cola Company, a major FIFA sponsor, indirectly owns 27.8% of Coca-Cola FEMSA's capital stock, equivalent to 32.9% of voting rights. Other significant shareholders in Coca-Cola FEMSA include the Bill and Melinda Gates Foundation Trust and BlackRock, Inc.¹¹⁷

José Antonio Vicente Fernández Carbajal is CEO and chairman of the board of Coca-Cola FEMSA. He is married to Eva María Garza Lagüera Gonda, daughter of former FEMSA president Eugenio Garza Lagüera. The Garza Lagüera family¹¹⁸ is an influential family based in Monterrey with family ties to the Mexican President's current Chief of Staff, Alfonso Romo Garza.¹¹⁹

Fernández Carbajal is critical of President Andres Manuel López Obrador (AMLO), whom he labels a "populist." In 2020 FEMSA was among the companies involved in a conflict with the federal government over outstanding tax debts, which ultimately led to the company paying 8.790 billion MXN to the Mexican Tax Administration Service (SAT).¹²⁰ Fernández Carbajal is a known supporter of Gustavo de Hoyos Walther, current president of the Mexican Employers' Confederation (*Nacional de la Confederación Patronal de la República Mexicana - Coparmex*), who is being considered as a presidential candidate for 2024.¹²¹

¹¹⁵ FEMSA, "Form 20-F for the fiscal year ended December 31, 2019," Securities and Exchange Commission, April 2020, www.sec.gov/Archives/edgar/data/0000910631/000119312520110807/d828052d20f.htm.

¹¹⁶ *Ibid.*

¹¹⁷ FEMSA, "Form 20-F for the fiscal year ended December 31, 2019," Securities and Exchange Commission, April 2020, www.sec.gov/Archives/edgar/data/0000910631/000119312520110807/d828052d20f.htm.

¹¹⁸ Coca-Cola FEMSA, S.A.B. de C.V., "Form 20-F," U.S. Securities and Exchange Commission, April 17, 2020, www.sec.gov/Archives/edgar/data/0000910631/000119312520110807/d828052d20f.htm.

¹¹⁹ Mathieu Tourliere, "Alfonso Romo, la esperanza de la agroindustria contra el etiquetado frontal," *Proceso*, November 30, 2019, www.proceso.com.mx/608760/alfonso-romo-la-esperanza-de-la-agroindustria-contra-el-etiquetado-frontal.

¹²⁰ "BBVA, Femsas y Walmart se cuadran ante el SAT: pagan 35,000 mdp de impuestos atrasados," *Forbes*, September 10, 2020, www.forbes.com.mx/negocios-bbva-femsa-y-walmart-se-cuadran-ante-el-sat-pagan-35000-mdp-de-impuestos-atrasados.

¹²¹ Álvaro Delgado, "De Hoyos, opositor a AMLO, no se descarta como presidenciable," *Proceso*, June 22, 2019, www.proceso.com.mx/589415/de-hoyos-opositor-a-amlo-no-se-descarta-como-presidenciable.

Fernández Carbajal also sits on the board of the Monterrey-based university ITESM, which has received significant donations from FEMSA in the past.¹²² The ITESM campus in Monterrey is listed as a venue-specific training site (VSTS) for the 2026 FWC in the bid book.¹²³

The Akron Chivas Stadium, Owned by Omnilife in Guadalajara

The Akron Chivas stadium is located in the Zapopan municipality, part of the metropolitan region of Guadalajara, Jalisco. The stadium was built in 2010 and was also designed by the global architecture firm Populous.¹²⁴ It was rebranded “Akron Stadium” in 2018 after Omnilife signed a marketing deal with the car lubricants company Akron for a period of 10 years.

The Club Deportivo Guadalajara team and the Akron Stadium are operated through two main entities: Operadora Chivas, S.A. de C.V. and Chivas de Corazón, S.A. de C.V., both based in Zapopan.¹²⁵ The companies are indirectly controlled by Grupo Omnilife, a multi-level marketing company that sells dietary supplements. The founder and CEO of Omnilife, Jorge Vergara Madrigal, died in November 2019.¹²⁶ His children inherited his fortune, including Grupo Omnilife,¹²⁷ and his son, Amaury Vergara Zatarain, succeeded his father as director and owner of the Club Deportivo Guadalajara (Chivas) and as president of Omnilife.¹²⁸

There are seven companies and one foundation in the Omnilife group: Club Deportivo Guadalajara, Omnilife, Seytú, Omnilife Nfuerza, OML Agente de Seguros y Fianzas, Omnia de Guadalajara, Educare+ Escuela para el Éxito, and Fundación Jorge Vergara.¹²⁹

Omnilife has been subject to scandal in the past. In 2010, Vergara’s then wife, Angélica Fuentes, acquired a 43% shareholding in Omnilife, which later increased to 49%. Vergara accused Fuentes of having stolen 140 million USD from his bank account to buy the family’s companies. In 2015, when they separated, Vergara took possession of Omnilife and got rid of Fuentes as a director. A legal battle ensued that ended in Fuentes giving up her shares in Omnilife.

¹²² FEMSA, “Form 20-F for the fiscal year ended December 31, 2019,” Securities and Exchange Commission, April 2020, www.sec.gov/Archives/edgar/data/0000910631/000119312520110807/d828052d20f.htm.

¹²³ United Bid Committee, “Bid Book.”

¹²⁴ “\$200m Estadio BBVA Bancomer Opens as a New Model for Mexican Stadia.”

¹²⁵ “Privacidad,” Chivas de Corazón, accessed July 20, 2020, www.chivasdecorazon.com.mx/es/contenidos/privacidad.

¹²⁶ “Murió Jorge Vergara, el dueño del equipo Chivas del Guadalajara y de Grupo Omnilife,” *infobae*, November 15, 2019, sec. México, www.infobae.com/america/mexico/2019/11/15/murio-jorge-vergara-el-dueno-del-equipo-chivas-del-guadalajara/.

¹²⁷ “La fortuna de Jorge Vergara: quiénes son los herederos del imperio que incluye a las Chivas y a Omnilife,” *Infobae*, November 16, 2019, www.infobae.com/america/mexico/2019/11/16/la-fortuna-de-jorge-vergara-quienes-son-los-herederos-del-imperio-que-incluye-a-las-chivas-y-a-omnilife.

¹²⁸ Lilita Corona, “El sucesor: Amaury Vergara, el treintañero al frente de Omnilife y Chivas,” *Expansión*, November 15, 2019, sec. Empresas, expansion.mx/empresas/2019/11/15/el-sucesor-amaury-vergara-reconfiguracion-omnilife-y-chivas; “Amaury Vergara asume la presidencia de Grupo Omnilife Chivas,” *El Financiero*, January 22, 2020, elfinanciero.com.mx/deportes/amaury-vergara-asume-la-presidencia-de-grupo-omnilife-chivas.

¹²⁹ Omnilife Group, Omnilife, accessed September, 7, 2020, www.portal.omnilife.com/omnilife-group.

The football club has had constant financial difficulties. At the end of last year, it owed around 400 million MXN in unpaid taxes and has many outstanding debts for money borrowed to buy players. In June 2018, it was announced that Vergara and his companies together owed 1.941 billion MXN in unpaid taxes for the period 2010-17, although this is being contested in court.¹³⁰

The Azteca Stadium, Owned by Televisa in Mexico City

Club América is owned by Grupo Televisa, S.A.B. (Televisa), a Mexican mass media company that trades on the New York Stock Exchange and is a part owner of the U.S.-based media company Univision Holdings, Inc.¹³¹ The Azteca Stadium in Mexico City is managed and operated by the company Fútbol del Distrito Federal, S.A. de C.V., subsidiary of Televisa. Since the 1990s, Televisa has been one of two major players that dominate the Mexican broadcasting and television sectors.

In recent years, however, Televisa has cut production budgets, restructured operations, downsized newsrooms and ventures, sold important assets, and, as a result, continues to report losses due to declining advertising revenue and ratings for terrestrial channels.¹³² Televisa will participate in the 2026 FWC both as an official broadcaster of the tournament in Mexico and as the owner of Azteca stadium. It also currently holds FMF's broadcasting rights along with another major player in Mexico, TV Azteca.

Emilio Fernando Azcárraga Jean is chairman of Televisa and owns 16.15% of total shares.¹³³ Although he resigned in 2017 as CEO of the company, Azcárraga Jean continues to hold significant influence in the company. Alfonso de Angoitia and Bernardo Gómez replaced Azcárraga as co-executive directors.

3.6. Sponsors and Marketing Affiliates

Increasingly, companies, particularly those with a global footprint, are committing themselves to human rights and social responsibility standards. New legal frameworks, particularly in Europe, require companies to conduct mandatory human rights due diligence (such as the French Duty of Vigilance Law) and introduce corporate human rights reporting requirements to reduce the risk of forced and/or child labor (such as the UK Modern Slavery Act and the Dutch Child Labor Due Diligence Bill). In April 2020, the EU Commissioner for Justice announced the Commission's commitment to introducing European rules for mandatory corporate human rights and environmental due diligence.¹³⁴

¹³⁰ "Jorge Vergara y sus momentos más difíciles: crisis en Chivas, acusaciones de fraude, divorcio y deudas," *Infobae*, November 15, 2019, www.infobae.com/america/mexico/2019/11/15/jorge-vergara-y-sus-momentos-mas-dificiles-crisis-en-chivas-acusaciones-de-fraude-divorcio-y-deudas.

¹³¹ Grupo Televisa, S.A.B., "Form 6-K: Searchlight Capital Partners and ForgeLight to Acquire Majority Stake in Univision" (U.S. Securities and Exchange Commission, February 25, 2020), www.sec.gov/Archives/edgar/data/0000912892/000089534520000259/jw6kunivisionpress_grupo.htm.

¹³² Mireya Márquez Ramírez and Juan S. Larrosa Fuentes, *Media Landscapes Mexico*, www.medialandscapes.org/country/mexico/media/television.

¹³³ Grupo Televisa, S.A.B., "Form 20-F," U.S. Securities and Exchange Commission, April 30, 2020.

¹³⁴ "EU Commissioner for Justice commits to legislation on mandatory due diligence for companies," Business and Human Rights Resource Centre, April 30, 2020, www.business-humanrights.org/en/latest-news/eu-commissioner-for-justice-commits-to-legislation-on-mandatory-due-diligence-for-companies.

The following table lists the companies that are FIFA Marketing Affiliates for Qatar 2022, in addition to current major sponsors and partners of the three national football associations. Though this list will likely change for the 2026 FWC, it provides some insight into the geographic regions and industries that are represented.

Table 3 – Major Sponsors of FIFA and Host Football Associations

FIFA	U.S. Soccer	FMF	Canada Soccer	Concacaf
Adidas (Germany) Coca-Cola (U.S.) Visa (U.S.) Wanda Group (China) Hyundai Motor (South Korea) Qatar Airways (Qatar)	Nike Verizon (U.S.) Dick’s Sporting Goods (U.S.) Insurance Office of America (IOA) (U.S.) Radisson Group (U.S.) Tournament Housing Services (U.S.) SportsEngine (U.S.) Gatorade (PepsiCo) (U.S.) Go4Ellis (U.S.) Premier International Tours (U.S.) Soccer.com (U.S.) Storelli (U.S.) ScoutingZone (U.S.)	Adidas (Germany) AT&T (U.S.) Citibanamex (MX) Coca-Cola (U.S.) Corona (Grupo Modelo) (MX) G500 (MX) Betcris ¹³⁵ (MX) LaLa (MX) Visa (U.S.) Izzi (Grupo Televisa) (MX) ADO (MX)	Allstate (U.S.) Nike (U.S.) Toyota (Japan) Teck (CA) Powerade (Coca-Cola) (U.S.)	Allstate (U.S.) Cervezas Modelo (Grupo Modelo) (MX) Nike (U.S.) Scotiabank (CA)

Source: Official websites of each association.

In the context of MSEs, human rights campaigners have often targeted major sponsors due to their potential leverage vis-à-vis sports governing bodies. In a sponsorship, both the brand and the sports body’s reputation is linked and the activities of one reflects on the reputation of the other.¹³⁶ In the past, sponsors have been allies in efforts to improve human rights compliance within FIFA and football associations generally, although they have been more willing to participate in issues that are less contentious or considered well within FIFA’s “comfort zone.”¹³⁷ This could include, for instance, FIFA’s policies regarding hu-

¹³⁵ Brand associated with the companies Producciones Móviles, S.A. de C.V. and Paradise Riviera Gaming, S.A. de C.V., which have been tied to allegations of corruption. See www.paradiseriviera.com.

¹³⁶ “Striving for Excellence.”

¹³⁷ Interview with a staffer from a global human rights organization, September 9, 2020.

man rights and tournament bidding guidelines. Coca-Cola and Adidas could be potential allies for civil society actors since they participate on FIFA's Human Rights Advisory Board. However, this has also allowed both companies to avoid being targeted individually.¹³⁸

Campaign Against FIFA Sponsor Coca-Cola due to Public Health Concerns

In the last five years, two FIFA sponsors, Coca-Cola and McDonalds, have been targeted by human rights organizations for the contradictory practice of sponsoring sports teams and international sport bodies while being linked to health concerns and abusive consumer practices. In June 2017, McDonalds abruptly ended its sponsorship of the International Olympic Committee after 41 years as a major sponsor.

In Mexico, efforts have been led by El Poder del Consumidor and the Nutritional Health Alliance (*Alianza por la Salud Alimentaria*), a global network of over 30 CSOs and professionals, and the Red por los Derechos de la Infancia en México (Redim). In 2017, they launched a signature campaign against FMF to oppose the use of kid escorts with Coca-Cola-branded t-shirts during football matches, which FMF subsequently fixed.

In 2018, during the World Cup in Russia, the Alliance again launched a social media campaign asking FIFA and FMF to end their sponsorship agreements with Coca-Cola for its links to unhealthy products and abusive advertising practices, which undermined the purpose of sports. They sent over 7,600 emails to Gianni Infantino and Fatma Samoura, President and Secretary General of FIFA, respectively. The Alliance engaged with FIFA's Human Rights Advisory Board, although there was limited response given Coca-Cola's spending on other human rights issues, such as LGBTQ rights in Russia.

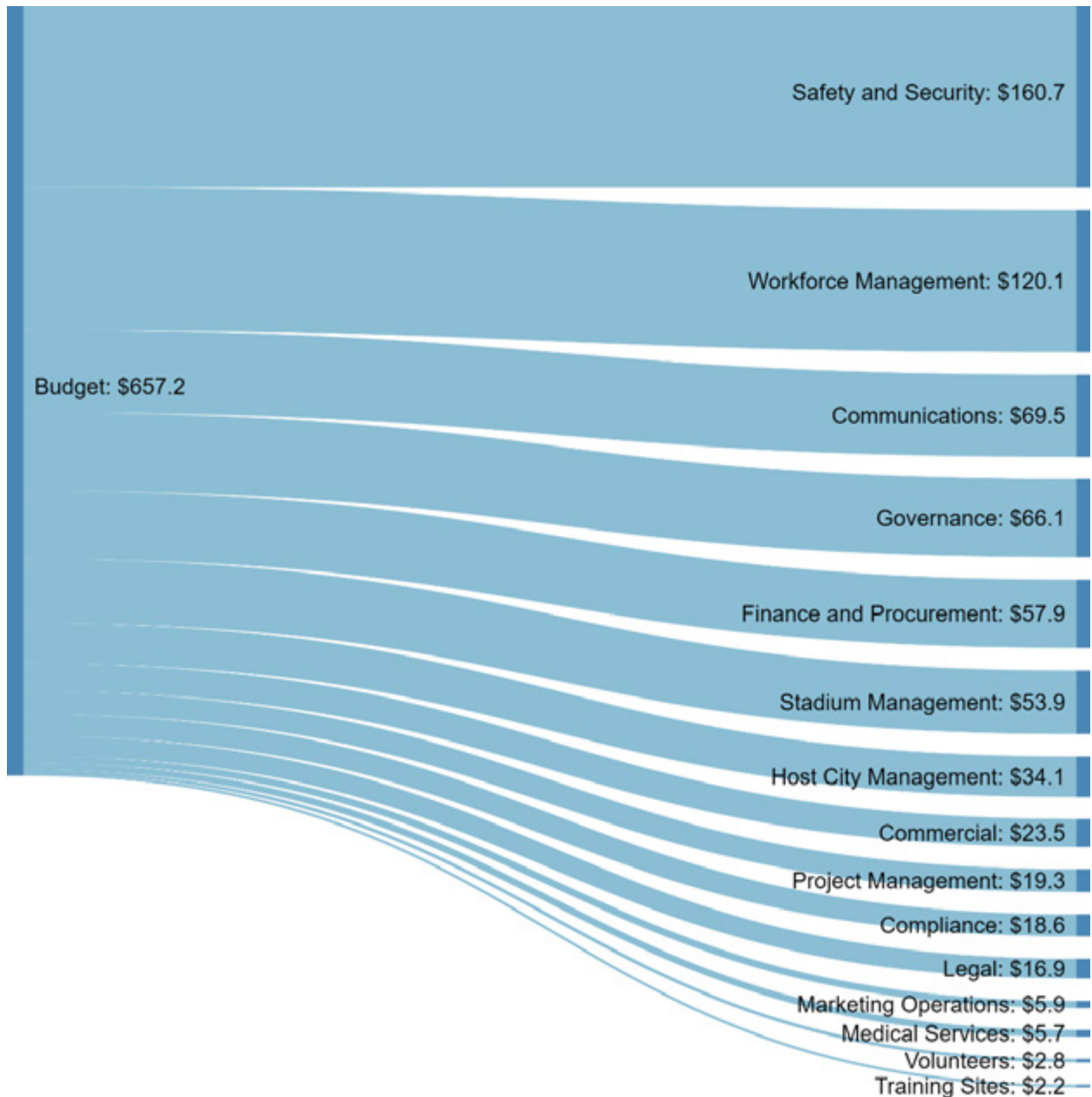
3.7. FIFA Business Partners

In contrast to other World Cups, the role of the private sector is expected to increase in the 2026 FWC. FIFA's business partners include their contractors, suppliers, service providers, licensees, broadcasters, and consultants, as well as these actors' suppliers, sub-contractors, or agents — all of which are subject to FIFA's sourcing code and policies (see [Section 2.3](#)).

The following table lists the main expenditure categories for the 2026 World Cup in 2018 dollars. These budget items point to critical functional areas of the tournament's planning and organization and signal which sectors will be receiving greater financial flows.

¹³⁸ Interview with a global human rights organization with experience in MSEs, September 8, 2020.

Chart 6 – United 2026 Expenditures Budget (in millions USD)



Source: Empower, based on figures from the 2026 United Bid book.¹³⁹

The total projected budget in the Bid book is 657 million USD (based on 2018 dollars). The United Bid Committee projects a safety and security budget of 160.75 million USD, equivalent to 24% of the total.¹⁴⁰ The largest expenditure categories are workforce management (18%), communications (11%), governance (10%), finance and procurement (9%), and stadium management (8%). Section 4 provides further information regarding some of the key actors participating in each of these sectors.

¹³⁹ *Ibid.*, 441.

¹⁴⁰ *Ibid.*

3.8. Responsibility for Human Rights and Sustainability

The authority and responsibility for human rights and sustainability during MSEs are often blurred.¹⁴¹ In reality, responsibility lies with several different actors. FIFA's Andreas Graf provided Empower with a document containing the human rights commitments it expects different stakeholders to make in written agreements at the bidding and hosting phases, which is helpful in understanding the different actors responsible for human rights and sustainability. These commitments include:

- **FIFA** must select host cities based on criteria that include human rights. It is also must develop a sustainability report alongside Members Associations to encourage and set up a multi-stakeholder forum to facilitate dialogue, including with human rights experts, to engage with Member Associations and governments to address challenges relating to the national context which may impede respect for human rights, and to develop a corrective action protocol to include requests to be addressed by Member Associations to develop and implement the human rights strategy. FIFA must impose contractual obligations on sponsors and licensees addressing human rights concerns.
- **Bidders** must make a public commitment to respect all internationally recognized human rights in accordance with the UNGPs.
- **Governments and host cities** must make a public declaration confirming their commitments to respect human rights and to support FIFA and the Members Associations in their work regarding human rights.
- **Host Member Associations** must sign a Hosting Agreement to agree to respect all internationally recognized human rights and provide a detailed human rights strategy and implementation plan and sustainability report.
- **Stadiums, training sites, airports, and hotels** must commit to conducting all competition-related activities in accordance with the UNGPs.

FIFA views its responsibilities and leverage as being reduced following the city selection stage. Graf told Empower that FIFA would support cities in the development of their human rights strategies, but that implementation is the responsibility of the local committees. He did say that, if FIFA sees that the local committee is not complying with human rights obligations, it will try to engage, particularly if it is **a contractual issue**. However, there is no penalty system for non-compliance.¹⁴²

In reality, FIFA's leverage is much greater than it likes to admit. Where it has set guidelines, rules, and parameters that other actors are expected to follow, it clearly should have a role in overseeing the implementation of those rules. As opposed to being a lack of leverage or responsibility on the part of FIFA, the issue instead seems to be a lack of

¹⁴¹ "Striving for Excellence."

¹⁴² Andreas Graf, video call with Empower, September 17, 2020.

will. According to some CSOs interviewed for this report, FIFA interprets its responsibilities under the UNGPs as restrictively as possible. In Qatar, for instance, it would only respond to allegations physically connected to a stadium and, in general, it took a long time to engage with anyone on human rights issues.¹⁴³

¹⁴³ Interview with a global human rights organization with experience in MSEs, September 8, 2020.

4. Supply Chain Accountability

The United 2026 Bid and new FIFA guidelines on human rights provide an opportunity to implement greater transparency and accountability not only in host cities but also across supply chains. This section provides an overview of seven key industries that will directly or indirectly participate in the 2026 FWC, three of which are centered around FIFA (and partners) and four which are centered around host city committees (including stadium owners). It will identify risks within these industries regarding human and labor rights, with special attention to the rights of migrant and temporary workers in both Mexico and the U.S. Financial crime risks — specifically money laundering and corruption — are also considered in this analysis since these are often linked to human rights violations (such as forced displacement and human trafficking). (See worker rights, labor enforcement, and protection contracts in [Section 5](#))

As mentioned above, the 2026 FWC LLC will work alongside host cities and governments to generate the legal, technical, security, and physical infrastructure required to plan and organize the event.¹⁴⁴ The local 2026 FWC entity will directly hire employees, including the FIFA organizing committee, staff, and volunteers, cleaning staff, waste management, security services, and hospitality staff, and contract other companies for additional products and services, including manufacturing, food production, construction, and entertainment.¹⁴⁵ In contrast with previous iterations of the World Cup, the 2026 FWC will rely entirely on preexisting infrastructure. However, minor construction works might take place for temporary facilities used for logistics and other event-specific operations.

¹⁴⁴ The Bid Book was developed by the United Bid Committee of Canada, Mexico, and United States, LLC (United Bid LLC or the United Bid Committee). This was a New York City-based legal entity incorporated by the three country football associations — the United States Soccer Federation (USSF), Canadian Soccer Association (CSA), and Federación Mexicana de Fútbol Asociación, A.C. (FEMEXFUT) — prior to submitting the United 2026 Bid. See “The United Bid Committee’s Terms and Conditions of Use,” United 2026, www.united2026.com/files/United-Bid-Committee-Terms-and-Conditions-EN.pdf.

¹⁴⁵ “Independent Report.”

Mexican Company Behavior During the COVID-19 Pandemic

In October 2020, the Business and Human Rights Resource Centre published a report on company behavior during the COVID-19 pandemic showing how the health crisis “has highlighted existing structural problems and prevalent human rights abuses in Mexico.”¹⁴⁶ The most common allegations of human rights abuse were: violations of the right to health (40%); exposure to or a lack of support for workers in high-risk situations, either in workplace or in transport to and from their homes; unjustified, arbitrary, or mass dismissals (35%); and reduction of wages, which included stipulating “forced vacation” without pay and social benefits. The report records 229 public allegations of abuse from March to August 2020. The higher levels of publicly reported human rights violations are in the manufacturing (*maquiladora*), agribusiness, mining, and energy sectors. Three of these — *maquiladora*, agribusiness, and energy — are linked to the 2026 FWC. “Almost two-thirds (65%) of all health-related allegations were attributed to *maquiladora* companies, and thousands of agricultural workers were reported at high risk of contagion, which is evidenced by registered collective infections and deaths in the fields.” 42 companies were invited to respond to the allegations.

The following table summarizes key risks, and potential advocacy opportunities identified for each strategic sector and provides a preliminary list of private actors that have already been identified to likely benefit during the 2026 FWC.

¹⁴⁶ “Economies of care or abuse? Company Behaviour in Mexico During COVID-19,” Business and Human Rights Resource Centre, October 2020.

Table 4 – Key Risks and Opportunities Identified by Sector

Sector	Main Regions	Main Risks	Potential Advocacy Opportunities	Key Companies
Sectors centered around FIFA and business partners				
Hospitality	<p>Mexico City, Guadalajara, and Monterrey</p> <p>Some major tourist destinations, including Puerto Vallarta (JAL), Los Cabos (BCS), and Cancún (QR)</p>	<p>Human Rights Environmental impact, right to water, land disputes, indigenous people's rights, links to human trafficking, sexual exploitation, and prostitution</p> <p>Labor Rights Abusive hiring practices (temporary contracts), protection contracts, hiring of vulnerable populations (migrant population), discrimination and harassment</p> <p>Financial Crimes Linkages with criminal economies, corruption & money laundering</p>	<p>Training and support for workers</p> <p>Labor enforcement</p> <p>CBA and human rights standards for migrant workers</p> <p>Greater transparency</p> <p>Sustainability and waste management</p> <p>Transnational worker organizing: common demands to hotel chains in three countries, such as wage parity</p>	<p>International Brands Hilton Worldwide Holdings, Marriott International, Hyatt Hotels, and Jing Jiang International</p> <p>National Brands Grupo Posadas and Grupo Presidente</p>
Licensed apparel and sporting goods	<p>Mexico City, Guanajuato, Puebla, and Hidalgo</p> <p>Border states, particularly Baja California, Chihuahua, Coahuila, and Tamaulipas</p> <p>Honduras and Nicaragua</p>	<p>Human Rights Environmental impact</p> <p>Labor Rights Abusive hiring practices (temporary contracts), protection contracts, health & safety, forced labor, child labor, hiring of vulnerable populations (migrant population), discrimination and harassment, and outsourcing</p>	<p>Training and support for workers</p> <p>Engagement with existing multi-stakeholder initiatives¹⁴⁷</p> <p>Labor enforcement</p> <p>Great exposure (leverage) given the 2026 World Cup context</p> <p>Linkages with Asia and Central America</p> <p>Supply chain transparency beyond voluntary actions</p> <p>CBA and human rights standards for temporary workers</p> <p>Sustainability and waste management</p> <p>Existing grievance mechanisms in DR-CAFTA</p>	<p>Adidas AG (key sponsor, FIFA Human Rights Advisory Board)</p> <p>Nike (U.S. Soccer and Concacaf sponsor)</p> <p>Industrias Manufactureras MyR, S.A. de C.V. (adidas Tier 1 supplier, key supplier of FEMEXFUT teams)</p> <p>Industrias Voit, S.A. (match ball licensee)</p> <p>FIFA usually selects a local company to manage retail and merchandising</p>

Sector	Main Regions	Main Risks	Potential Advocacy Opportunities	Key Companies
<p>Food and beverage</p>	<p>Mexico City, Guadalajara, and Monterrey</p> <p>Major avocado production states include Michoacán, Jalisco, and Mexico State</p> <p>Major tomato production states include Sinaloa, San Luis Potosí, and Michoacán</p>	<p>Human Rights</p> <p>Environmental degradation, water use, food sovereignty, and linkages to violence and organized crime</p> <p>Labor Rights</p> <p>Abusive hiring practices (temporary contracts), protection contracts, health & safety, child labor, hiring of vulnerable populations (migrant population), and discrimination</p> <p>Financial Crimes</p> <p>Linkages to criminal economies</p>	<p>Training and support for workers</p> <p>Labor enforcement</p> <p>Migrant workers in Mexico and U.S.</p> <p>Worker rights in supermarkets and POS</p> <p>CBA and human rights standards for temporary/guest workers</p> <p>Sustainability and environmental impact</p> <p>Linkages with hospitality and tourism</p> <p>High exposure of Coca-Cola and FEMSA during the World Cup</p>	<p>Avocados</p> <p>The Joseli Group, Aguacates la Bonanza, Aguacates JBR, and Avocado Export Company</p>
				<p>Tomatoes</p> <p>Comité Sistema Producto Tomate Nacional, Confederación de Asociaciones Agrícolas del Estado de Sinaloa, Asociación Mexicana de Horticultura Protegida A.C, and Consejo Agrícola de Baja California A.C.</p>
				<p>Food in stadiums</p> <p>FIFA Public Food & Beverage Concessionaire Programme, expected in 2024</p>
<p>Sectors centered around Host City Committees</p>				
<p>Construction</p>	<p>Mexico City, Guadalajara, and Monterrey</p>	<p>Human Rights</p> <p>Prior consultation and local participation, land disputes, access to water, and housing</p> <p>Labor Rights</p> <p>Abusive hiring practices, protection contracts, and hiring of vulnerable populations (migrant population)</p> <p>Financial Crimes</p> <p>Corruption & money laundering</p>	<p>Training and support for workers</p> <p>Labor enforcement</p> <p>Greater supply chain transparency</p> <p>Linkages to Asia</p> <p>CBA and human rights standards in public/private contracting</p>	<p>Key Regional Actors</p> <p>MTY, GDL, CDMX.</p> <p>This includes CEMEX, ICA, México Compañía Constructora, Pinfra, Carso Infraestructura y Construcción, and Ideal</p>

Sector	Main Regions	Main Risks	Potential Advocacy Opportunities	Key Companies
Waste management	Mexico City, Guadalajara, and Monterrey	<p>Hazardous work Limited protective clothing for garbage collectors, old collection vehicles emitting harmful fumes</p> <p>Labor rights Many collectors are volunteers with no job security or social security.</p> <p>Displacement Volunteers losing work to selection and recycling companies</p> <p>Environmental Harmful emissions from old collection vehicles, landfills pollute</p> <p>Human health Pollution from landfills passed on through air, soil, and water systems</p>	<p>Training and support for workers United Bid zero waste promise Foster dialogue between host cities in the U.S., Canada, and Mexico on sustainability City-level waste reduction programs in all three Mexican host cities</p> <p>Mexico City's Human Rights Commission's has already made a recommendation regarding waste management and volunteer workers</p> <p>Link urban plans to increase recycling and sustainable waste management to the promise of the United Bid</p>	<p>Reciclados Integrales Ambientales (operates a landfill in Estado de México)</p> <p>Tecnosilicatos de México (operates a landfill in Estado de México)</p> <p>Hasars (operates a landfill in Zapopan)</p> <p>Caabsa (shareholder in OHL, operates a landfill and has been awarded garbage collection contracts in Guadalajara)</p> <p>Banobras (financing improvements in Nuevo León's waste management system through a PPP)</p>
Security	Mexico City, Guadalajara, and Monterrey U.S.-Mexico border	<p>Human Rights Physical security un/related to the event, freedom of expression and assembly, freedom of movement, right to privacy and data protection, cybersecurity, and linkages with abusive state practices (arbitrary detention, excessive use of force, deportation, criminalization of migrants, separation of families, racialized surveillance)</p> <p>Labor Rights Abusive hiring practices (temporary contracts), protection contracts, health & safety, and discrimination</p> <p>Financial crimes Linkages to criminal economies, conflicts of interest, and corruption</p>	<p>Training and support for workers Labor enforcement</p> <p>Vetting and comprehensive due diligence of all private security companies hired for the event.</p> <p>Regulate revolving door between public and private security sectors, particularly for UCC staffers</p> <p>Improve regulation/standards, and their enforcement for private security companies in Mexico</p> <p>Corporate liability for HR abuses Investor outreach</p>	<p>Big tech & security companies already providing services to security agencies in all three states (Palantir, Amazon, Thompson Reuters, DevTech, and Northrop Grumman)</p> <p>Lobo, S.A. de C.V. (private security for the Estadio Azteca), and R.G. Seguridad Privada, S.A. de C.V. (private security for the Estadio BBVA)</p>

Sector	Main Regions	Main Risks	Potential Advocacy Opportunities	Key Companies
Electricity	Mexico City, Guadalajara, and Monterrey Coahuila, Guanajuato, Hidalgo, Michoacán, Morelos, Nuevo León, Puebla, Tamaulipas, and Tlaxcala	<p>Human Rights</p> Environmental degradation, right to consultation and self-determination, violence against human rights and environmental defenders, and impacts on traditional livelihoods	Training and support for workers Labor enforcement Prior consultation and community participation Adoption of human rights due diligence (HRDD) for all renewable energy projects Greenwashing of companies linked to human rights violations (e.g. Grupo México’s wind farm in Monterrey)	Federal Electricity Commission (CFE): the off-taker for the energy produced by projects won under the first and second energy auctions National Energy Control Center (CENACE) Enel SpA, Engie, IENOVA, Alten Energías Renovables, Jinkosolar, Atlas Renewable Energy, and EDF

Source: Empower.

¹⁴⁷ These include amfori (formerly Business Social Compliance Initiative); Dutch Agreement on Sustainable Garments and Textiles; Fair Labor Association; Fair Wear Foundation; German Partnership for Sustainable Textiles; Sustainable Apparel Coalition; and U.K. Ethical Trading Initiative. See: “Position Paper on Transparency,” Clean Clothes Campaign, October 2020, www.maquilasolidarity.org/en/clean-clothes-campaign-position-paper-transparency-october-2020.

Sectors Centered around FIFA and Business Partners

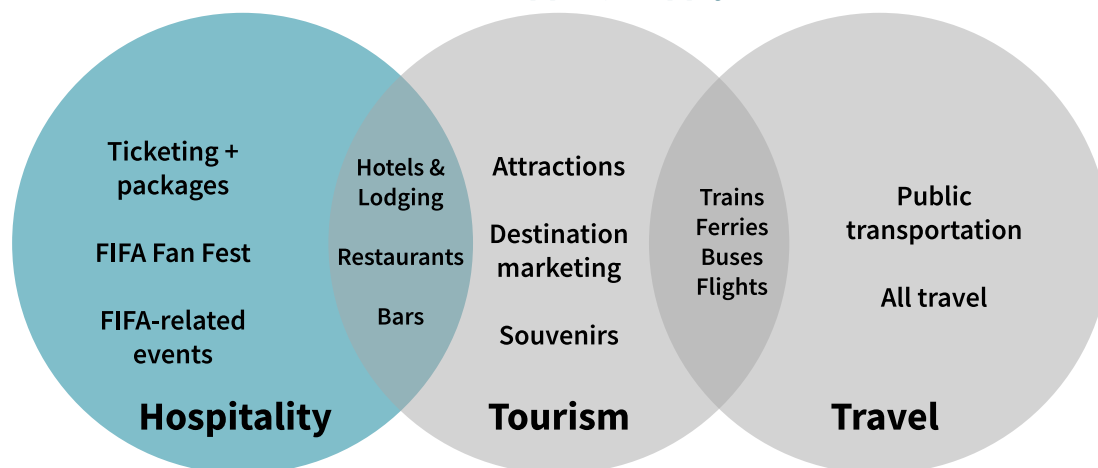
4.1. Hospitality

In the 2026 FWC, FIFA will need to ensure the accommodation of teams, FIFA officials, referees, partners, media, and fans in host cities. During the bidding process, FIFA evaluated whether there is sufficient hotel infrastructure in potential host cities to accommodate the large number of tourists expected. Hospitality, unsurprisingly, is one of the major sources of revenue for FIFA through the selling of accommodation rights. In the 2015-18 period, hospitality sales amounted to 712 million USD (11% of total revenue).¹⁴⁸

The hospitality industry is a broad category within the service industry that refers to nearly any company concerned with the leisure needs of travelers. As such, the hospitality industry is linked to four distinct sectors: lodging, food, recreation, and travel (including airlines, cruise ships, and buses). These sectors are interconnected and interdependent. More importantly, the influx of international visitors during the competition will likely spill over into other service industries, including outside of host cities, and impact other popular tourist destinations.

In 2018, tourism represented 8.8% of GDP in Mexico and 2.3 million jobs (6% of the national total).¹⁴⁹ Accommodation is the biggest source of income in this industry as it accounts for 28.1% of total tourist revenues. According to the UN World Tourism Organization (UNWTO), Mexico was the 6th most-visited country in the world in 2018 and 15th in terms of income related to tourism, totaling 22.44 million USD.¹⁵⁰ This analysis will focus on accommodation.

Chart 7 – Overlapping Supply Chains



Source: Based on Zailani (2011).

¹⁴⁸ "FIFA financial report 2018," 12.

¹⁴⁹ "Compendio Estadístico del Turismo en México 2018," SECTUR August 28, 2018, www.datatur.sectur.gob.mx/SitePages/CompendioEstadistico.aspx.

¹⁵⁰ "Ranking Mundial del Turismo Internacional," Secretaría de Turismo de México, www.datatur.sectur.gob.mx/SitePages/RankingOMT.aspx.

Match Hospitality AG: FIFA's Hospitality Program Provider until 2023

Since the 1994 FWC, the official hospitality provider for FIFA has been Match Hospitality AG (Match Hospitality). Match Hospitality acquired the rights to sell and operate the 2018 FWC Russia Hospitality Program and it is the worldwide exclusive rights-holder responsible for the delivery of FIFA's Official Hospitality Program, at least until 2023.¹⁵¹ Match Services AG, an affiliate, currently holds the ticketing rights for the Qatar 2022 FWC.¹⁵²

According to Match Hospitality, during the Russia 2018 FWC it provided 191,930 guests with a wide offer of packages valued between 850 and 24,900 USD. Every package included accommodation, tickets, catering, and “match day” services.

Match Hospitality is a joint venture between BH Hospitality (controlled by Byrom plc group), Dentsu (a Japanese media rights company), Infront Sports & Media (a Swiss sports marketing firm), and Bidvest (a South African services, trading, and distribution company). Byrom plc group is a family-owned and run business headquartered in Manchester, U.K.¹⁵³ It was founded by brothers Jaime and Enrique Byrom,¹⁵⁴ born in Mexico but based in the U.K. Other Byrom plc group companies include Match Accommodation AG, which provides event accommodation, and Winterhill Hospitality, a Hong Kong-based company that creates and delivers official hospitality programs accommodation, ticketing, and transportation systems.

In 2014, Brazilian authorities arrested Ray Whelan, a Match Hospitality director for his involvement in a ticket scalping scheme.¹⁵⁵ According to the *Financial Times*, FIFA said it had since strengthened its “control, approval and audit rights” with Match Hospitality and is working on a new “transparent ticketing model... with much greater in-house control.”¹⁵⁶

Greater scrutiny regarding Match Hospitality means that, in 2023, once its agreement with FIFA has ended, the 2026 hospitality program may be up for grabs.

Key Regional Players

The 2026 United Bid Committee has already made contact with and received the support of major hotel companies in host cities.¹⁵⁷ In the bid documents, host city committees list hotels that could be used for FIFA staff and teams, all of which are international or national brand hotels. Key international players in the Mexican host cities include Hilton

¹⁵¹ Match Hospitality Services, www.match-hospitality.com/services.

¹⁵² “Setting new standards in sports hospitality,” Match Hospitality Services, www.match-hospitality.com.

¹⁵³ Byrom Group, www.byrom.plc.uk/#ourgrou.

¹⁵⁴ Fernández Gutiérrez de Quevedo, José Ramón, “El taquillero de la FIFA,” *Newsweek en Español*, July 8, 2014, www.newsweekspanol.com/2014/07/el-taquillero-de-la-fifa.

¹⁵⁵ “Brazilian police arrest FIFA partner executive in World Cup ticket scandal,” *DW*, July 7, 2014, www.dw.com/en/brazilian-police-arrest-fifa-partner-executive-in-world-cup-ticket-scandal/a-17766243.

¹⁵⁶ Ahmed Murad, “Infantino puts his mark on FIFA with World Cup overhaul,” *Financial Times*, October 13, 2016, www.ft.com/content/87978d30-9163-11e6-a72e-b428cb934b78.

¹⁵⁷ United Bid Committee, “Bid Book.”

Worldwide Holdings, Marriott International, Hyatt Hotels, and Jing Jiang International. Marriott International Hotels has 85 properties in Mexico and operates 21 different hotel brands. In 2018, it announced that it had plans to expand more than 50% in Mexico by 2023.¹⁵⁸ International Hotel Group (IHG) is another major player with 11 brands in Mexico (Holiday Inn, Intercontinental, and Crowne Plaza) and 139 properties. U.S.-based Radisson Group may also be a relevant actor as a sponsor of U.S. Soccer.

Human Rights Guidance Tool for Hotels in Qatar

In September 2020, the Qatar Ministry of Administrative Development, Labor and Social Affairs, ILO Qatar Office, and IHRB published “Promoting Fair Recruitment and Employment: Guidance Tool for Hotels in Qatar.”¹⁵⁹ The document is a resource for the promotion of fair recruitment and employment standards in the hospitality sector in Qatar, based on international labor standards and guiding principles on fair recruitment as well as relevant human rights standards, in particular the UNGPs. Despite being locally driven, it can be adapted and used in other countries. It provides practical steps to promote decent work and improve recruitment practices, including engagement with placement agencies and service providers.

Additionally, there are two major Mexican companies being considered as key hospitality providers in the cities of Guadalajara, Mexico City, and Monterrey: Grupo Posadas and Grupo Presidente.

Grupo Posadas, S.A.B. de C.V. is a publicly-traded hospitality company based in Mexico City; in June 2020, it owned, leased, franchised, and managed nine different brands and 179 hotels in Mexico.¹⁶⁰ The company is controlled by the Azcárraga Andrade families. Gastón Azcárraga Andrade, the former CEO of Grupo Posadas, is also the former president and owner of the now extinct airline company, Mexicana de Aviación. In 2014, Gastón Azcárraga was formally accused of fraud and other financial crimes by Mexican federal authorities (PGR) and associated with irregularities in Mexicana de Aviación’s bankruptcy proceeding.¹⁶¹

¹⁵⁸ Victoria Iloas, “Marriott International To Expand In Mexico By More Than 50% By The End Of 2023,” Marriot News Centre, April 23, 2019, www.news.marriott.com/news/2019/04/23/marriott-international-to-expand-in-mexico-by-more-than-50-by-the-end-of-2023.

¹⁵⁹ Consulted at www.ihrb.org/uploads/reports/Human_Rights_Guidance_Tool_for_Qatar_Hotels_-_FINAL_ONLINE.pdf.

¹⁶⁰ Grupo Posadas, “Press Release: Grupo Posadas Announces Action to Maximize its Financial Flexibility,” *PR NewsWire*, June 25, 2020, www.prnewswire.com/news-releases/grupo-posadas-announces-action-to-maximize-its-financial-flexibility-301083869.html.

¹⁶¹ “Authorities searching for former president and owner of Mexicana Airlines on money laundering charges,” *Justice in Mexico*, March 31, 2014, www.justiceinmexico.org/authorities-searching-for-former-president-and-owner-of-mexicana-airlines-on-money-laundering-charges.

Grupo Presidente is a Mexico-based hotel management and ownership company that has “in Mexico the master franchise of Intercontinental hotels and [is] pre-approved to operate another 10 brands with international presence Intercontinental Hotel Group, Starwood and Hyatt.”¹⁶² The CEO of Grupo Presidente is Braulio Antonio Arsuaga Losada. Since February 2020, Arsuaga is also president of the National Tourism Business Council (*Consejo Nacional Empresarial Turístico* - CNET).¹⁶³

Table 5 – Hotels Proposed by Candidate Host Cities

	Guadalajara	Mexico City	Monterrey
Venue-Specific Team Hotel	Grand Fiesta Americana (Grupo Posadas) Hilton (Hilton Worldwide Holdings) Hotel W (Marriott International)	Royal Pedregal Hotel (Algase S.A. de C.V. – Jing Jiang International ¹⁶⁴) Radisson Paraíso Perisur Hotel (Jing Jiang International)	Holiday Inn Monterrey Norte (International Hotel Group -IHG) Best Western Hotel Valle Real (Best Western International, Inc.) SAFI Royal Luxury Valle (Desarrollo Optima, S.A. de C.V.) Quinta Real (Grupo Empresarial Ángeles)
FIFA VIP Hotel	Hyatt Regency Andares Guadalajara (Hyatt Hotels)	Presidente InterContinental (InterContinental Hotels Group – Grupo Presidente)	Camino Real (Grupo Empresarial Ángeles)
FIFA Venue Hotel	Presidente InterContinental (InterContinental Hotels Group – Grupo Presidente)	Hyatt Regency Mexico City (Hyatt Hotels)	Holiday Inn Parque Fundidora (International Hotel Group -IHG)

Source: 2026 Bid Book and specialized databases.

For the accommodation of spectators and other FIFA participants, both branded and independent hotels are likely to be used. In 2018, Mexico City registered 630 hotels with a total of 51,923 rooms.¹⁶⁵ The same year, Jalisco had 2,038 hotels and Nuevo León 365

¹⁶² “Investors,” Grupo Presidente, accessed July 16, 2020, www.grupopresidente.com.mx/investors-english-grupo-presidente.html.

¹⁶³ Alejandro De La Rosa, “Braulio Arsuaga Losada, nuevo presidente del CNET,” *El Economista*, February 25, 2020, www.eleconomista.com.mx/empresas/Braulio-Arsuaga-Losada-nuevo-presidente-del-CNET-20200225-0025.html.

¹⁶⁴ “HNA Sells Radisson Holdings to Jin Jiang-Led Consortium,” *Reuters*, August 10, 2018, www.uk.reuters.com/article/us-hna-radisson-hotel-sale-idUKKBN1KV0U7.

¹⁶⁵ “Oferta de Servicios Turísticos,” Secretaría de Turismo de México, September 2018, www.datatur.sectur.gob.mx/SitePages/InventarioTuristico.aspx.

hotels.¹⁶⁶ Although, at a national level, independent hotels make up 78% of the total rooms, in Mexico City, Guadalajara, and Monterrey around 50% of hotels are owned by a “brand.”¹⁶⁷

In 2015, in Mexico City there were over 28,000 people working in hotels. Of these, 52% were men and 48% women, and 37% of the total worked in five-star hotels.¹⁶⁸ Housekeeping was the main activity with over 12,000 workers (44%), followed by food and beverage with 7,000 workers (25%), and administrative tasks with close to 5,000 workers (16.88%). In five-star hotels, food and beverage has a higher percentage of workers (31%).

Main Risk Factors

The engagement of the hospitality sector is key in the context of the World Cup, for two main reasons: the high number of direct workers that will likely be employed in the sector and the poor labor conditions of hotel workers.

The current COVID-19 outbreak has revealed abusive practices in the industry and the general vulnerability of workers. In June 2020, the Business & Human Rights Resource Centre identified a series of labor rights violations in hotels in Mexico related to the pandemic, including unjustified dismissals, forced holidays, and significant salary reductions.¹⁶⁹

Specific risk areas for human rights include:

- **Wage and hour violations:** A large proportion of Mexico’s hotel workers — for example housekeepers, waiters, and bellboys — earn the minimum wage or close to it.¹⁷⁰ In Mexico’s hotels, regular overtime is common and employees may not always feel that they can refuse a request to work additional hours. This can leave employees feeling exhausted, especially during the high season when workloads are the heaviest.¹⁷¹ Many workers rely heavily on tips or second or third jobs to supplement their incomes. Mexico’s hotels also make extensive use of the illegal “time-for-time” schemes in which employees are required to work overtime during the high season, and receive the equivalent time off in the low season or when demand allows. This means that hotels avoid paying the higher overtime rates.

¹⁶⁶ *Ibid.*

¹⁶⁷ Richard Katzman and Lorea Arnoldi, “Evolución histórica del mercado hotelero en México,” *Real Estate Market & Lifestyle*, January, 2017, www.realestatemarket.com.mx/articulos/mercado-inmobiliario/21418-evolucion-historica-del-mercado-hotelero-en-mexico.

¹⁶⁸ CDMX Travel, “La Hotelería de la Ciudad de México,” Secretaría de Turismo de la CDMX, September 2016, www.turismo.cdmx.gob.mx/storage/app/media/Estadisticas/La%20hoteleria%20de%20la%20ciudad%20de%20mexico%202013/La%20hoteleria%20de%20la%20ciudad%20de%20Mexico.pdf, 48.

¹⁶⁹ “México: El sector hotelero esta acusado por violaciones de los derechos laborales de sus personas empleadas durante la pandemia,” Business & Human Rights Resource Centre, June 30 2020, www.business-humanrights.org/es/m%C3%A9xico-el-sector-hotelero-esta-acusado-por-violaciones-de-los-derechos-laborales-de-sus-personas-empleadas-durante-la-pandemia-un-hotel-responde.

¹⁷⁰ “Children and the hotel industry in Mexico,” UNICEF, June 2017, www.protectingchildrenintourism.org/wp-content/uploads/2019/02/UNICEF_Report.Children_and_the_hotel_industry_in_Mexico.pdf, 5.

¹⁷¹ *Ibid.*, 18.

- **Freedom of association:** The existence of protection contracts in this sector is pervasive, although there is limited public information on the main unions that have signed collective bargaining agreements in the cities of Mexico City, Guadalajara, and Monterrey.
- **Abuse of temporary contracts:** Temporary contracts are commonly used in Mexico’s hotel industry, even for work that is regular and long-term. A hotel employee on a temporary contract may end up working for a hotel year-round without the stability, predictability, or government benefits — including social security, annual leave, pension entitlements, and housing benefits — afforded to permanent employees.
- **Discrimination and harassment:** Women working as housekeepers face high rates of sexual harassment. In North America, it is common for guests to ask for “an additional pillow,” by which they insinuate they would like to engage in some kind of sexual activity. This is a phenomenon well-known to housekeepers working at hotels. The women often suffer in silence because customers are rarely held to account for their actions.¹⁷²
- **Health risks:** Housekeepers face serious health risks and suffer high rates of injury from moving king-sized beds weighing more than 100 pounds and using harsh cleaning chemicals all day long.¹⁷³ Housekeepers worry about their future, since lasting injuries prevent them from seeking other work when they need to transition for health reasons.
- **Human trafficking, sexual exploitation, and prostitution:** The hospitality industry is highly vulnerable to human traffickers, especially when it comes to child sexual exploitation and forced prostitution, forced criminality, domestic servitude, and forced labor in hotels (or in their supply chains). The Mexican Ministry of Tourism, together with civil society, implemented a program to prevent trafficking and sex tourism, which included a “code of conduct” for travel agencies, hotels, restaurants, tourist guides, training centers, and transportation providers. However, NGOs have alleged that the government has yet to fully implement the program.¹⁷⁴

4.2. Licensed Apparel and Sporting Goods

The goods and products typically sourced for MSEs such as the FIFA World Cup include promotional items and merchandise (e.g. sportswear, garments and outerwear, match balls, toys, and other souvenirs). The production of these items will connect United 2026 to global supply chains through suppliers and subcontractors.

The retail and merchandise licenses include the sale of officially licensed products in tournament venues and in licensed retail outlets. FIFA manages these licenses directly

¹⁷² “Tourism’s dirty secret. The exploitation of hotel housekeepers,” Oxfam Canada, October 2017, www.oxfamlibrary.open-repository.com/bitstream/handle/10546/620355/rr-tourisms-dirty-secret-171017-en.pdf?sequence=1&isAllowed=y, 3.

¹⁷³ *Ibid.*, 2.

¹⁷⁴ “2019, Trafficking in Persons Report: Mexico,” U.S. Department of State, June 2019, www.state.gov/reports/2019-trafficking-in-persons-report-2/mexico.

to ensure they fit into the organization’s long-term strategy.¹⁷⁵ Host countries are obliged to provide legal guarantees that they will undertake measures to protect FIFA’s commercial rights prior to and during the tournament.¹⁷⁶ Licensing of products is one of FIFA’s main sources of profit. There were 600 million USD in revenue from licensing rights for the 2015-18 cycle, 114% higher than for the 2011-14 cycle.¹⁷⁷ This increase was driven primarily by a strong performance in brand licensing in gaming, for example with the successful delivery of the FIFA e-World Cup Grand Final 18.

FIFA is expected to sign a retail and licensing contract with a local or regional company for the 2026 FWC. For the 2018 FWC, FIFA signed a contract with Russian company Megalicense Entertainment,¹⁷⁸ in May 2017, to manage retail and licensing. Megalicense Entertainment is one of the leading licensing agencies working in the Russian and CIS licensing markets with local and international brands. The company oversaw the production of official merchandise and the operation of fan shops on behalf of the world’s football governing body. The partnership followed a tender process,¹⁷⁹ with five candidates assessed on criteria including sales forecasts, financial models, and product categories. According to its 2018 Financial Report, FIFA’s licensing revenues that year were 185 million USD.

Key Global Manufacturers

Chart 8 – Basic Apparel Supply Chain



Source: Empower.

A variety of multinational, national, and local actors will be involved in the production and sale of sportswear and balls for the 2026 tournament. FIFA makes its license lists publicly available on its website. The sale of official merchandise will take place at the stadiums, dedicated event stores, and e-commerce platforms, and begin before the tournament.

Match footballs are a key FIFA product, for which it created a “FIFA Quality” mark that certifies that each ball complies with technical characteristics.¹⁸⁰ Additionally, the manufacturer must sign a pledge form confirming that it is in compliance with the prin-

¹⁷⁵ Chadwick, Simon, Daniel Parnell, Paul Widdop and Christos Anagnostopoulos, *Routledge Handbook of Football Business and Management*, (Abingdon: Routledge, November 28, 2018).

¹⁷⁶ Ruggie, “For the Game. For the World: FIFA and Human Rights,” 18.

¹⁷⁷ FIFA Financial Report 2018, p. 16.

¹⁷⁸ “Megalicense Entertainment to manage FIFA’s retail and licensing programme for Russia,” FIFA, May 27, 2017, www.fifa.com/confederationscup/news/megalicense-entertainment-to-manage-fifa-s-retail-and-licensing-progra-2883950.

¹⁷⁹ *Ibid.*

¹⁸⁰ FIFA Quality Program for footballs, www.football-technology.fifa.com/en/media-tiles/fifa-quality-programme-for-football.

ciples laid out in the World Federation of the Sporting Goods Industry (WFSGI) Code of Conduct, based on relevant ILO Conventions, the Universal Declaration of Human Rights, and internationally accepted occupational safety and health standards.

Table 6 – Top Three FMF Trading Partners (by number of shipments), 2018-20

Supplier	Products Shipped	Origin of Shipments*
FIFA (Switzerland)	Merchandise (t-shirts, pens, books, backpacks, notebooks, key chains) Match balls	Italy, Sweden, Turkey, Vietnam, China, Cambodia, Indonesia, Philippines, Poland
Fiberlock Technologies, Inc. (U.S.)	Fabric print patches	U.S.
Adidas AG (Germany)	Match balls and equipment Sportswear	China, Vietnam, Cambodia, Myanmar, Philippines, Thailand, Turkey, Vietnam
Votec Trading Co. (Pakistan)	Match balls	Pakistan

Source: Panjiva, 2020. *This refers to the information available on the bill of lading. The origin of the shipment is not the same as the port of lading.

All the major sportswear manufacturers and retailers are multinational corporations with global operations. Adidas and Nike are two of the largest investors in football and key sponsors of players and teams.

Adidas

Adidas AG is a German multinational producer of footballs, sportswear, and football shoes (cleats). The company has designed the World Cup match ball since the 1970 tournament in Mexico. In 2013, FIFA extended its agreement with Adidas for it to be the official partner, supplier, and licensee for the FIFA World Cup and all FIFA events until 2030.¹⁸¹ The value of the deal was not disclosed. According to *Reuters*, the penultimate contract extension was announced in 2005, to cover the 2010 and 2014 tournaments,¹⁸² and was estimated to be worth 350 million USD.¹⁸³

¹⁸¹ “FIFA and adidas extend partnership until 2030,” FIFA, November 21, 2013, www.fifa.com/worldcup/news/fifa-and-adidas-extend-partnership-until-2030-2227271.

¹⁸² Victoria Bryam, “Adidas extends World Cup soccer sponsorship until 2030,” *Reuters*, November 21, 2013, www.reuters.com/article/us-soccer-world-adidas-sponsor/adidas-extends-world-cup-sponsorship-until-2030-idUSBRE9AK0NX20131121.

¹⁸³ “Adidas extends World Cup soccer sponsorship until 2030,” *Reuters*, November 21, 2013, www.es.reuters.com/article/us-soccer-world-adidas-sponsor-idUSBRE9AK0NX20131121.

Adidas is also a sponsor of important teams and players. In Russia 2018, it supplied shirts and sportswear to 12 of the 32 countries that participated in the tournament.¹⁸⁴ It also sponsored Lionel Messi, the Argentinian team's star player. In 2019, the company's market capitalization amounted to approximately 56.8 billion EUR. In 2019, Adidas's revenues amounted to 23.640 billion EUR.¹⁸⁵

The company also participates in the FIFA Human Rights Advisory Board. William Anderson (Vice-President, Global Social & Environmental Affairs) represents Adidas on the board. There is no money directly involved in this collaboration.

Adidas outsources most of its production, working with approximately 800 independent factories around the world.¹⁸⁶ Adidas lists three suppliers (one supplier that has a direct contractual relationship with the Adidas Group, and two that have been subcontracted by its suppliers) and three licensee factories in Mexico.¹⁸⁷ Its only primary supplier (Tier 1), Industrias Manufactureras MyR, S.A. de C.V. (MyR), based in Irapuato, Guanajuato, also manufactures the official jerseys for the Mexican national team and other Mexican league teams. MyR is controlled by Manuel Hernández Andrade and Santiago Martí Ascencio (and associates).¹⁸⁸ Most of Adidas's products, however, are manufactured in China and South East Asia.

Nike

Nike is another key actor in the World Cup. The company started investing heavily in football during the 1994 World Cup in the U.S. It supplied the shirts and sportswear to 10 countries for the Russia 2018 World Cup, including the French team, which ultimately won the tournament.¹⁸⁹ 60% of players wear its cleats, including Portuguese star Cristiano Ronaldo. In 2019, Nike's global revenue was around 39.1 billion USD.¹⁹⁰

¹⁸⁴ "Overview 2018 World Cup Sponsors," *Score and Change*, October 23, 2019, www.scoreandchange.com/overview-2018-world-cup-sponsors.

¹⁸⁵ "Adidas income statement," www.report.adidas-group.com/2019/en/group-management-report-financial-review/business-performance/income-statement.html.

¹⁸⁶ "2020 Global Factory List," (adidas, January 1, 2020), www.adidas-group.com/en/sustainability/managing-sustainability/human-rights/supply-chain-structure.

¹⁸⁷ Adidas differentiates between primary suppliers, subcontractors, licensees, and suppliers of wet processes. Primary suppliers are those factories where Adidas holds "a direct contractual sourcing relationship for the supply of products, whether for export or domestic market consumption." The only primary supplier in Mexico is Industrias Manufactureras MyR, S.A. de C.V., which operates two plants in Guanajuato. Adidas licensees include Forta Lab, S.A. de C.V., Laboratorios Aerosol, S.A. de C.V., and Tecnosol, S.A. de C.V., all based in the State of Mexico. T2 wet process suppliers include: Textivision, S. de R.L. de C.V. and Skytex Mexico, S.A. de C.V., based in Mexico and Puebla states, respectively. *Ibid*.

¹⁸⁸ According to corporate filings, as of 2014, 50% of MyR's share are owned by Manuel Hernández Andrade and the remaining 50% by Grumarpo, S.A. de C.V. Hernández Andrade also acts as chairman of MyR's board of directors. Grumarpo appears to be controlled by Santiago Martí Ascencio, alongside partners Juan Bosco Martí Iturbide, Luis Páramo Ascencio, and José Raúl Bitar Romo. The ownership structure of Grumarpo, however, could not be confirmed through corporate filings.

¹⁸⁹ "Overview 2018 World Cup Sponsors."

¹⁹⁰ "Nike's revenue worldwide from 2005 to 2019," Statista, www.statista.com/statistics/241683/nikes-sales-worldwide-since-2004.

Table 7 – Key Suppliers in Mexico and Central America

Brand/Product	Locations	Key Suppliers	Beneficial Owner	Links to Global Supply Chains
Adidas	Irapuato, Gto., Mexico	Industrias Manufactureras MyR, S.A. de C.V. ¹⁹¹	Manuel Hernández Andrade and Santiago Martí Ascencio ¹⁹²	Shipments from Italy (23.7%), Japan (16.9%), U.S. (15.4%), and China (11.4%) Footprint in the U.S.
Adidas	Toluca, Edo. Mex, Mexico	Forta Lab, S.A. de C.V. ¹⁹³	N/A	Shipments of plastics from the U.S. (66.2%) and Canada (6.2%)
Adidas	Capulhuac, Edo. Mex, Mexico	Laboratorios Aerosol, S.A. de C.V. ¹⁹⁴	Eugenio Figueroa Saucedo and family	Shipments from Germany (34.6%), U.S. (26.9%), and Brazil (7.7%)
Adidas	Naucaipan, Edo. Mex. and Monterrey, Nuevo León, Mexico	Tecnosol, S.A. de C.V. ¹⁹⁵	Jesús Villanueva Altamirano and family	Shipments from Colombia (44.1%), France (28.9%), and Argentina (13.3)
FIFA match ball (Adidas design)	Mexico City, Mexico	Industrias Voit, S.A. ¹⁹⁶	Part of Voit Corporation, based in San Antonio, Texas Controlled by José Ramón Elizondo Anaya	Imports match balls mainly from China (77% of total shipments), Pakistan (20.5%), and Vietnam (0.8%)
Nike	Honduras	Kattan Group	N/A	N/A
Nike	Honduras	Gildan	N/A	All the exports from Honduras go to the U.S.
Nike	Nicaragua	Tegra	N/A	Shipments from China (50%), U.S. (8.9%), and Thailand (5%)

Source: Compiled from information reported by companies and specialized databases.

¹⁹¹ “2020 Global Factory List.”

¹⁹² Santiago Martí Ascencio participates in MyR through shares in the company.

¹⁹³ *Ibid.*

¹⁹⁴ *Ibid.*

¹⁹⁵ *Ibid.*

¹⁹⁶ *Ibid.*

Empower found indications of an increased investment in Mexico by Asian manufacturing companies. In 2019, Feng Tay, a Taiwanese company that produces footwear for Nike, announced its plans to open a factory in Guanajuato.¹⁹⁷ The company could invest up to 1 billion MXN in a factory that would employ 5,000 workers.¹⁹⁸ Tex Ray, a Taiwanese textile company, has two factories with 1,500 workers in Guanajuato and has sold to Nike, Adidas, and Puma since 2016.¹⁹⁹ There have been some labor conflicts due to poor working conditions and low wages in the Guanajuato facility.²⁰⁰ Tex Ray also has a factory in the state of Sinaloa employing 900 workers, although in October 2019 the company announced its closure.²⁰¹ According to a local news outlet, Chinese businessmen were in talks to buy the facilities.²⁰²

OECD Guidance for the Garment and Footwear Sector

The OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector, published in 2017, responds to the collapse of Rana Plaza in June 2013. It builds on recommendations made by the OECD National Contact Points (NCP) of France and Italy and is aligned with the UNGPs and other ILO Conventions and Recommendations. The Guidance was developed through a multi-stakeholder process involving actors in business, trade unions, and civil society and helps companies in the sector to implement due diligence recommendations and source responsibly.²⁰³ Although observance of the Guidance is voluntary, it could be used to pressure companies into complying with higher standards of due diligence to mitigate human rights risks along their supply chains.

¹⁹⁷ Laura Villafaña, “Llega a Salamanca empresa taiwanesa de calzado,” *Zona Franca*, September 27, 2019, www.zonafranca.mx/politica-sociedad/economia/llega-a-salamanca-empresa-taiwanesa-de-calzado.

¹⁹⁸ Francisco Horta, “Llegan inversiones para Salamanca,” *Periódico AM Express*, November 21, 2019, www.pressreader.com/mexico/periodico-am-express-guanajuato/20191121/281779925966810.

¹⁹⁹ Ivet Rodríguez, “Inauguran planta de Tex Ray en Guanajuato,” *Manufactura*, July 25, 2016, www.manufactura.mx/industria/2016/07/25/inauguran-planta-de-tex-ray-en-guanajuato.

²⁰⁰ Suoeste1, “Surge conflicto laboral entre obreros y empresa tex Ray Am Ray en Pénjam,” *YouTube*, October 12, 2016, www.youtube.com/watch?v=HOx9kOaAy58.

²⁰¹ Arnulfo Torres, “Con el ‘Jesús en la boca’ se encuentran 300 empleados de la textilera Tex Ray, ante el inminente cierre de la empresa,” *Ruta Sinaloa*, September 26, 2019, www.rutasinaloa.com.mx/sinaloa/con-el-jesus-en-la-boca-se-encuentran-300-empleados-de-la-textilera-tex-ray-ante-el-inminente-cierre-de-la-empresa.

²⁰² “Businessmen from China, Interested in Buying a Textile Factory in Navolato Sinaloa,” *The Mazatlán Post*, October 16, 2019, themazatlanpost.com/2019/10/16/businessmen-from-china-interested-in-buying-a-textile-factory-in-navolato-sinaloa.

²⁰³ OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector, OECD Publishing (Paris, 2018), www.doi.org/10.1787/9789264290587-en.

Main Risk Factors

The issue of human rights violations related to sportswear has been widely covered by CSOs across numerous sporting events. Most of the world's sportswear production takes place in Asia and is made by women. The main labor and human rights risks include:

- **Low wages:** Outsourcing production to smaller, low-cost facilities without brand permission is a tactic used by factories to cut production costs. In Mexico, much of the *maquiladora* workforce is made up of young women from rural areas who migrate to manufacturing zones and border cities to seek work and/or future entry into the U.S. They take poor-paying jobs at *maquiladoras* out of necessity. The country's minimum wage increased in 2020 to 123.22 per day MXN.
- **Collective bargaining and freedom of association:** Only a small percentage of garment workers are unionized and many of these are in protection contract unions with the support of factory management. There have been limited organizing attempts to create independent, democratic unions in the sector. One significant limitation is that garment factories are relatively offshoreable so some attempts to organize have ended up in factories closing.²⁰⁴
- **Child labor:** Since the 1990s child labor has been an important issue in the sports industry. In Mexico, 12,265 children between the ages of 5 and 17 years old are estimated to work in the footwear and textile sectors in Guanajuato.²⁰⁵
- **Health and safety risks:** In January 2020, a fire broke out in a textile factory in the municipality of Jesús María, state of Aguascalientes.²⁰⁶ A short circuit in the machine area caused the fire to spread quickly when the flames touched the fabrics. The firefighters rescued 85 workers. Two were intoxicated and three had a nervous breakdown.
- **Forced overtime:** During periods of high demand, including during the run-up to the World Cup, factory management may force workers to work overtime. Companies often pay overtime during busy months.
- **Discrimination:** The garment industry is and has historically been one of the most female-dominated industries in the world. Today, more than 70% of garment workers in China are women. In Bangladesh, the percentage increases to 85%, and in Cambodia it is as high as 90%.²⁰⁷ Sexual harassment and discrimination against pregnant women is widespread in the *maquila* in Mexico.²⁰⁸

²⁰⁴ Interview with the director of a Canadian labor rights organization, September 10, 2020.

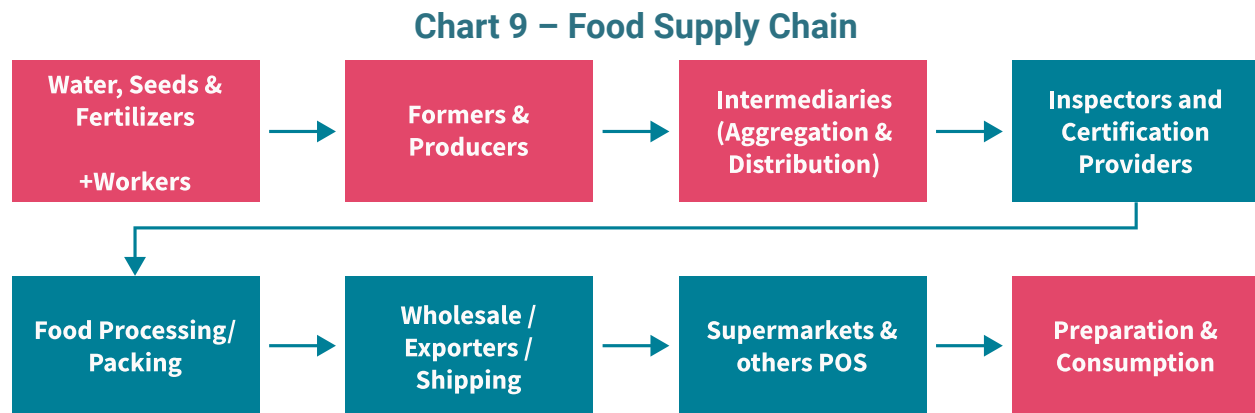
²⁰⁵ Erica del Rocío Flores Terrones, Juliana Riascos Valencia, and María Teresa Zorrilla Paloma, "Acercamiento al trabajo infantil y adolescente en la industria de calzado y confección en el estado de Guanajuato," Red por los Derechos de la Infancia en México, 2019, www.derechosinfancia.org.mx/documentos/diagnostico-completo.pdf.

²⁰⁶ Claudio Bañuelos, "Rescatan a 85 obreros de incendio en fábrica de textiles," *La Jornada*, January 25, 2020, www.jornada.com.mx/ultimas/estados/2020/01/25/rescatan-a-85-obreros-de-incendio-en-fabrica-de-textiles-5088.html.

²⁰⁷ Emilie Schultze, "Exploitation or emancipation? Women workers in the garment industry," *Fashion Revolution*, 2015, www.fashionrevolution.org/exploitation-or-emancipation-women-workers-in-the-garment-industry.

²⁰⁸ Christin Parcerisa, "El documental que revela la realidad de las mujeres en las maquilas de México, en palabras de su creadora," *Fashion United*, March 6, 2020, www.fashionunited.es/noticias/moda/el-documental-que-revela-la-realidad-de-las-mujeres-en-las-maquilas-de-mexico-en-palabras-de-su-creadora/2020030632302.

4.3. The Food and Beverage Industry



Source: Empower.

The sourcing and preparation of food and beverages will be central to the staging of the 2026 FWC. As previously mentioned, the food and beverages sectors are linked to other tournament sectors, including hospitality and travel. Furthermore, the consumption of food and beverages will take place in all tournament venues, including stadiums and side events, and in hotels, restaurants, and street food stalls. This section will briefly discuss FIFA’s Public Food & Beverage Concessionaire Programme, to then analyze broader risks across the food production supply chain using tomatoes and avocados, two key export products, as examples. Further analysis of the beverage industry should be conducted in future research.

Food and Beverage Concessions

For every World Cup, FIFA initiates a tendering process to select its main service provider of food and beverages through what it calls the FIFA Public Food & Beverage Concessionaire Programme.²⁰⁹ In Russia 2018, the company Arenafoods won the rights for operating close to 400 concessions, which included more than 2,200 points of sale across 12 stadiums.²¹⁰ On October 15, 2020, FIFA launched a public tendering process for the 2022 FWC which it divided in two stages. In the first stage, companies must provide all relevant documentation, in addition to signing a sustainability commitment statement and a sustainability questionnaire that includes questions about sustainability management and sourcing information.²¹¹ After passing on to the second stage, parties will be required to sign a confidentiality agreement to receive the full Tender Process document, which sets out the detailed requirements and the terms and conditions for the FIFA Public Food & Beverage Concessionaire.²¹²

²⁰⁹ “Invitation to tender: Public Food & Beverage Concessionaire for FIFA World Cup 2022™,” FIFA, October 15, 2020, www.fifa.com/worldcup/news/invitation-to-tender-public-food-beverage-concessionaire-for-fifa-world-cup-2022.

²¹⁰ “FIFA announces Arenafoods Catering as Public Food & Beverage Concessionaire for 2018 FIFA World Cup Russia and FIFA Confederations Cup Russia 2017,” FIFA, December 16, 2016, www.fifa.com/worldcup/news/fifa-announcesarenafoods-catering-as-public-food-beverage-concessionaire-2860741#:~:text=FIFA%20announced%20today%20that%20the,FIFA%20Confederations%20Cup%20Russia%202017.

²¹¹ Tender Process for the Rights of the FIFA Public Food & Beverage Concessionaire Programme- Phase I: Request for Information (RFI), FIFA, October, 2020, www.img.fifa.com/image/upload/s42d4os0bo0pbd3q1val.pdf.

²¹² *Ibid.* 3.

Due to the tri-national organization of the 2026 FWC and the years remaining before the tournament, there is no clarity yet regarding the tendering process. Despite this, monitoring the working conditions of the employees at stadiums will be a matter of interest for CSOs due to the temporary nature of the jobs, low wages, and high volume of work during the tournament.

Food Production and Exports

Mega sporting events lead to a significant rise in demand for food and drinks. In January 2020, for instance, there were record high exports of avocados to the U.S. from Mexico ahead of the Super Bowl.²¹³ In 2019, the total agricultural production of Mexico amounted to 261 million metric tonnes, which required 21.2 million hectares for farming and employed a total of 5.9 million people.²¹⁴ Mexico ranks 11th in the world in terms of the quantity of agricultural goods produced. In the last three decades, and particularly since the signing of NAFTA in 1994, Mexico transformed its agricultural production to focus on exports rather than the internal market. Mexico has signed 12 free trade agreements with 46 different countries with a potential market of 1.47 billion people.²¹⁵ The total value of Mexico's food exports in 2018 was 34.85 billion USD, while the value of imports was 28.43 billion USD.²¹⁶

The U.S. is the biggest importer of food products from Mexico. In 2018, it imported 26.63 billion USD worth of food. The most exported products in 2018 were beer (4.49 billion USD), avocados (2.62 billion USD), berries (2.28 billion USD), and tomatoes (2.1 billion USD). Mexico is the world's largest exporter of beer, avocados, and tomatoes.

Table 8 – Mexico's Main Food Exports in 2018

Product	Total Mexican exports (billion USD)	Mexican exports to the U.S. (billion USD)	Percentage of total exports to the U.S.
Beer	4.491	3.574	79.58%
Avocado	2.625	2.000	76.19%
Berries	2.282	2.182	95.62%
Tomato	2.280	2.073	99.66%

Source: SIAP.²¹⁷

²¹³ Karla Rodríguez and Carlos Arrieta, "Mexico hits record high on avocado exports for the Super Bowl," *El Universal*, January 30, 2020, www.eluniversal.com.mx/english/mexico-hits-record-high-avocado-exports-super-bowl/; "Super Bowl Plans Drive Record Avocado Imports From Mexico," *Bloomberg.Com*, January 30, 2020, www.bloomberg.com/news/articles/2020-01-30/super-bowl-plans-spur-record-avocado-imports-by-u-s-from-mexico.

²¹⁴ "Panorama Agroalimentario 2019," SIAP, November 19, 2019, www.gob.mx/siap/es/articulos/panorama-agroalimentario-2019-nos-muestra-la-realidad-del-sector-y-tambien-nos-deja-ver-su-enorme-potencial?idiom=es.

²¹⁵ *Ibid.*, 14.

²¹⁶ *Ibid.*, 15.

²¹⁷ *Ibid.*, 15.

Avocados and tomatoes are the two selected products to be analyzed in this report due to the high volume of products exported, the expected increase in demand during the games, the complexities of the supply chain, and the particular vulnerabilities of workers in Mexico and the U.S. Furthermore, according to media reports, NGOs, and the U.S. Department of State, there are hundreds of forced labor victims working to produce tomatoes.²¹⁸ Sources report that cases of forced labor occur on both commercial tomato plantations and smallholder farms, and have been found in states such as Baja California, Coahuila, Jalisco, San Luis Potosí, and Sinaloa.

Avocado Production and Trade

Avocados, or “green gold” as they are now commonly known, are a multibillion-dollar industry for Mexico, the world’s largest producer. The state of Michoacán is responsible for 77% of the country’s production,²¹⁹ exporting 2.4 billion USD worth of avocados in 2018.²²⁰ The states of Jalisco and Estado de México come in second and third, and are responsible for 9% and 5% of production, respectively.²²¹ More than half of Mexican-grown avocados are exported, with the U.S. as by far the largest buyer. In 2018, of the roughly 2.1 million tonnes exported from Mexico, 917,000 went to the U.S.²²²

However, there is a sinister side to the avocado boom. The industry is plagued by corruption and violence and has been partially taken over by Mexican drug trafficking organizations. Since the Mexican government began its “war on drugs” under President Calderón in 2006, the cartels have been diversifying their businesses. Where they have turned to the illegal fuel trade in other parts of the country, in Michoacán and Jalisco the avocado industry has provided a perfect opportunity.²²³ Mexican avocados have become the world’s new conflict commodity.²²⁴

Key Avocado Sector Players

The Mexican Avocado Producers and Packers Association (APEAM) is an important, not-for-profit body comprised of more than 26,000 producers and 60 packing companies. It promotes the “Avocados from Mexico” brand abroad and collaborates with the Mexican Secretariat of Agriculture and Rural Development (*Secretaría de Agricultura y Desarrollo Rural – SADER*) and the U.S. Department of Agriculture (USDA) regarding the fulfillment of certification standards.

²¹⁸ “México – Tomates - Trabajo forzoso,” U.S. Department of labor, www.dol.gov/sites/dolgov/files/ILAB/goods_translations/MexicoTomatoesTranslation.pdf.

²¹⁹ Secretaría de Agricultura y Desarrollo Rural and Consejo Mexicano para el Desarrollo Rural Sustentable, “Situación de la exportación de aguacate de Jalisco y Michoacán, 2019,” SAGARPA, December 18, 2019, www.cmdrs.gob.mx/sites/default/files/cmdrs/sesion/2019/12/20/2644/materiales/aguacate-10-ordinaria-2019.pdf, 3.

²²⁰ Christian Wagner, “Are Mexican Avocados The Next ‘Conflict Commodity?’,” Verisk Maplecroft, December 5, 2019, www.maplecroft.com/insights/analysis/are-mexican-avocados-the-next-conflict-commodity.

²²¹ SAGARPA, 2019, 3.

²²² *Ibid.*, 5.

²²³ Wagner, “Are Mexican avocados the next conflict commodity?”

²²⁴ Wagner, “Are Mexican Avocados The Next ‘Conflict Commodity?’,” Saeed Kamali Dehghan, “Are Mexican Avocados the World’s New Conflict Commodity?,” *The Guardian*, December 30, 2019, sec. Global development, www.theguardian.com/global-development/2019/dec/30/are-mexican-avocados-the-worlds-new-conflict-commodity.

Some of the largest Mexican companies in the avocado industry include:

- **The Joseli Group** is comprised of several companies, each active in a different part of the supply chain. Huertas Hermanos Torres produces avocados in Michoacán. T&C Maquiladora packs avocados for export to the U.S. and the rest of the world. Transportes Joseli transports avocados and other fresh produce in refrigerated containers to different parts of Mexico and the U.S. J&E Produce Mexico markets and sells avocados in Mexico and the U.S. Productos del Campo San Andrés, in Monterrey, is responsible for the distribution and sale of avocados in Northern Mexico. Joseli Produce Mexico is responsible for the distribution and sale of avocados and other fresh produce throughout Mexico.²²⁵
- **Aguacates la Bonanza** produces, packages, processes, transports, and distributes avocados.²²⁶
- **Aguacates JBR** packages and distributes avocados.²²⁷
- **Avocado Export Company** packages and exports avocados.²²⁸

Tomato production and trade

In 2019, the total production of red tomatoes in Mexico amounted to 3.32 million metric tonnes.²²⁹ Production is concentrated in five states that, in 2017, produced 56.3% of the total: Sinaloa (27%), San Luis Potosí (9.8%), Michoacán (7.3%), Jalisco (6.3%), and Zacatecas (5.6%).²³⁰

The Mexican government's National Agricultural Plan 2017-30 anticipates an increase in global demand and expects that worldwide production will grow from 8.92 million tonnes in 2016 to 11.78 million in 2030. The growth predictions for Mexican production is from 3.32 million tonnes in 2016 to 7.56 million in 2030. Of these, only 2.06 million tonnes are expected to be for national consumption and 5.50 million for export.²³¹

In terms of volume, Mexico is the main exporter of red tomatoes in the world, exporting 1.6 billion tons in 2018. During the last decade, Mexican tomato exports grew at an average rate of 4.7% per year, reaching 1.68 million tonnes in 2018, a volume equivalent to 48.7% of national production. In 2018, 99.7% of Mexican tomato exports went to the U.S., which constituted 91.1% of fresh tomatoes imported.²³²

²²⁵ "Empresa," Grupo Joselí, accessed July 21, 2020, grupososeli.com/services/

²²⁶ "Home Page," La Bonanza Avocados, accessed July 20, 2020, labonanzaavocados.com/en/home-page.

²²⁷ "Homepage," JBR Avocados, accessed July 20, 2020, www.aguacatesjbr.com/english/indexjbr.html.

²²⁸ "Inicio," Avocado Export Company, S.A. de C.V., accessed July 20, 2020, www.avocadoexport.com.mx.

²²⁹ "Panorama Alimentario 2019," 15.

²³⁰ *Ibid.*, 15.

²³¹ SAGARPA, "Planeación Agrícola Nacional 2017-2030," Gobierno de México, September 14, 2017, accessed July 20, 2020, www.gob.mx/agricultura/acciones-y-programas/planeacion-agricola-nacional-2017-2030-126813.

²³² *Ibid.*, 2.

U.S.-Mexico Tomato Conflict

For decades, there have been disputes between the U.S. and Mexico over tomatoes. NAFTA got rid of tariffs and boosted imports of Mexican products to the U.S. In 1996, two years after NAFTA took effect, at the request of Florida's tomato industry, the U.S. Department of Commerce (DoC) initiated an anti-dumping investigation to determine whether tomato imports from Mexico were being sold for less than market value. For the DoC to suspend the investigation, Mexican producers had to accept to a minimum price for imports. Since then, a series of different minimum prices have been imposed on Mexican tomatoes,²³³ including in 2013 when the DoC and Mexican producers and exporters agreed to raise import prices in the U.S. by 43% (2013 Agreement).²³⁴

Then, in 2019, Florida tomato growers — which previously dominated the market during the winter and spring — complained that Mexico was unfairly subsidizing its tomato crop and requested that the DoC terminate the 2013 Agreement. As a result, the DoC withdrew from the 2013 Agreement, which was officially terminated in May 2019, allowing the DoC to continue its anti-dumping investigation. The Trump administration imposed a 17.5% tariff on tomatoes coming from Mexico.

In September 2019, a new agreement was signed,²³⁵ suspending the anti-dumping investigations and tariff, increasing U.S. border inspections of Mexican tomatoes, and increasing the minimum price of specialty tomatoes. It will be revised in 2024.

Key Tomato Sector Players

The following Mexican producers signed the 2019 minimum price agreement with the U.S. (mentioned in the aforementioned case study: Comité Sistema Producto Tomate, Confederación de Asociaciones Agrícolas del Estado de Sinaloa, Asociación Mexicana de Horticultura Protegida A.C, Asociación de Productores de Yaqui y Mayo, and Consejo Agrícola de Baja California.

²³³ Keza McKeague, "The Politics of Tomatoes: U.S. Risks Trade Dispute with Mexico," *Americas Quarterly*, 13 September 2012, www.americasquarterly.org/blog/the-politics-of-tomatoes-u-s-risks-trade-dispute-with-mexico; Sissi Cao, "Historic Study of US-Mexico Tomato Trade Sheds Light on NAFTA 2.0 Talk," *Observer*, August 31, 2018, www.observer.com/2018/08/us-mexico-tomato-trade-nafta-talk.

²³⁴ U.S. Department of Commerce, International Trade Administration, "2013 Suspension Agreement ~ Fresh Tomatoes from Mexico," March 2013, www.enforcement.trade.gov/tomato/2013-agreement/2013-agreement.html.

²³⁵ U.S. Department of Commerce, International Trade Administration, "Agreement Suspending the Antidumping Duty Investigation on Fresh Tomatoes from Mexico," September 2019, www.enforcement.trade.gov/tomato/2019-agreement/Mexican_Tomatoes_Suspension_Agreement.pdf.

- **Comité Sistema Producto Tomate Nacional** was founded in 2010 and is the largest tomato industry organization. It works to defend the interests of Mexican companies in the U.S. and participates in negotiations with the Department of Commerce regarding the price of tomatoes. The President, Rosario Antonio Beltrán Ureta, is founder and CEO of Agrícola Belhmer, a company that specializes in the production of high-quality fresh tomatoes for export. It has two production centers in Mexico in the states of Sinaloa and Jalisco.
- **Confederación de Asociaciones Agrícolas del Estado de Sinaloa** is a group of 11 agricultural farmer associations from the state of Sinaloa, which is the main tomato producing state.²³⁶ The members of the association produce over 10 million tonnes per year.
- **Asociación Mexicana de Horticultura Protegida A.C.**, founded in 2008, is an association with 277 grower members from 23 states. Most members are producers that grow tomatoes in greenhouses.²³⁷
- **Consejo Agrícola de Baja California A.C.**, founded in 2001, is an association of over 100 producers.²³⁸
- **Asociación de Productores de Yaqui y Mayo** is based in the state of Sonora and is made up of 116 producers from Sonora.²³⁹
- **Agros** is a large producer and exporter of hydroponic tomatoes to the U.S. Between 2015 and 2020, it exported 76 million tonnes to the U.S. worth 76 million USD.²⁴⁰ Walmart is one of its major clients in the U.S.

Key Supply Chain Entities in Agricultural Production

1. Entities that provide the inputs necessary to grow the product: For example, fertilizer companies and the Mexican Water Board (CONAGUA).
2. Middlemen: Labor recruiters, known as “enganchadores” in Spanish, often facilitate workers for agricultural producers in Mexico. They often take advantage of the vulnerable conditions of these workers.²⁴¹
3. Farmers/Producers: These include small-scale growers and larger companies.

²³⁶ “Confederación de Asociaciones Agrícolas del Estado de Sinaloa,” CAADES, accessed July 20, 2020, www.caades.org.mx.

²³⁷ “Asociación Mexicana de Horticultura Protegida A.C.,” AMHPAC, accessed July 20, 2020, www.amhpac.org/es/index.php?option=com_content&view=article&id=520&Itemid=148&lang=en.

²³⁸ “La industria del tomate en Baja California, México,” PODER and ProDESC, June 2012.

²³⁹ “Directorio de la Asociación Agrícola Local de Productores de Hortalizas del Yaqui y Mayo,” Mexbest, accessed July 20, 2020, www.mexbest.com/empresa-asociacion-agricola-local-de-productores-de-hortalizas-del-yaqui-y-mayo-525.html.

²⁴⁰ Panjiva.

²⁴¹ Zorayda Gallegos, “Enganchadores: Los traficantes de jornaleros,” *El País*, 2018, www.elpais.com/especiales/2018/campo-mexicano/jalisco/enganchadores.html.

4. Intermediaries or *coyotes*: They are paid by migrants to transfer them from Central America or from Mexican southern states to cross the U.S.-Mexican border. In many cases they are part of a wider network that it is also involved in illegal activities. According to the “Yearbook of migration and remittances- Mexico 2018,” the cost of a guide or “coyote” increased from an average of 60,000 MXN in the first quarter of 2015 to 107,000 MXN in the third quarter of 2017.²⁴²

5. Inspectors and certification providers: For example, this includes the Rainforest Alliance Agriculture Certification as well as government bodies such as the USDA and the Mexican SADER.

6. Packing companies

7. Shipping companies

Main Risk Factors

- **Environmental degradation:** Illegal logging and forest clearing are commonplace to make room for avocado farms. The rising popularity of avocados, together with the increasing involvement of drug cartels, has led to unprecedented levels of illegal deforestation in recent years.²⁴³ There are no records of government Land Use Change (LUC) authorizations in Michoacán after 2003, meaning that any land converted from forest into avocado farms after this date is illegal.²⁴⁴ Enforcement of deforestation regulation is extremely difficult due to the power of the drug cartels. Also, avocado production requires lots of water – a mature avocado orchard needs twice as much water as a dense forest.²⁴⁵ In many areas where there is a high density of avocado farms that take water from the local supply, there is not enough water for local flora and fauna to survive.²⁴⁶
- **Lack of water for local communities:** The above-mentioned high-water consumption for production means that local communities suffer water shortages.²⁴⁷
- **Land-grabbing:** Cartels steal lands to grow avocados.²⁴⁸

²⁴² Consejo Nacional de Población, “Anuario de migración y remesas México,” Fundación BBVA Bancomer, SEGOB Consejo Nacional de Población, www.gob.mx/cms/uploads/attachment/file/388361/Anuario_Migracion_y_Remesas_2018_ISNN.pdf.

²⁴³ Haroon Siddique, “Rising avocado prices fuelling illegal deforestation in Mexico,” *The Guardian*, August 10, 2016, www.theguardian.com/lifeandstyle/2016/aug/10/avocado-illegal-deforestation-mexico-pine-forests.

²⁴⁴ Xiomara Nataly Dominguez Caballero and Gabriela Giovana Barrera Flores, “Forests Falling Fast to Make Way for Mexican Avocados,” *Global Forest Watch*, March 20 2019, www.blog.globalforestwatch.org/commodities/forests-falling-fast-to-make-way-for-mexican-avocado.

²⁴⁵ Siddique, 2016.

²⁴⁶ Agustín Del Castillo, “Conagua también es omisa con aguacateras,” *Milenio*, July 22, 2020, www.milenio.com/estados/conagua-tambien-es-omisa-con-aguacateras.

²⁴⁷ *Ibid.*

²⁴⁸ Peter O’Dowd and Allison Hagan, “Why avocados attract interest of drug cartels,” *WBur*, February 7, 2020, www.wbur.org/hereandnow/2020/02/07/avocados-mexican-drug-cartels.

- **Forced and child labor:** Tomatoes are among the goods produced by child and forced labor, according to a list published by the U.S. Department of Labor’s Bureau of International Labor Affairs.²⁴⁹ “Indigenous people in the poor regions of central and southern Mexico are especially vulnerable to forced labor in the agricultural sector due to low levels of education, language barriers, and discrimination.”²⁵⁰
- **Migrant workers:** Internal migration to work as a laborer is a common phenomenon. Sinaloa, Baja California, Baja California Sur, Durango, Chihuahua, and Sonora are recipient states of laborers. The main net sending states are Oaxaca and Guerrero. The states that send and receive day laborers are Michoacán, Puebla, Nayarit, Morelos, San Luis Potosí, and Veracruz.
- **Freedom of association:** Many laborers in the sector are not unionized and, when they are, they are usually forced into protection contracts.
- **Low wages and unstable jobs:** There are three types of day laborers: (1) those who live and work in their place of origin, (2) migrants who settle in the regions that attract agriculture workers, and (3) temporary workers in states that have intensive agriculture. Temporary workers are often paid less than the minimum wage.
- **Violence:** Organized crime brings violence. In the avocado industry, for example, the USDA had to temporarily suspend inspections for the avocado certification program in some areas of Michoacán in August 2019 after repeated threats to its employees from the cartels. According to the USDA, two dozen USDA-accredited certification agents operate in Mexico.²⁵¹ Individuals throughout the production and shipment phases are also at a high risk for violence. Criminal groups extort farmers, threaten farmworkers, and high-jack shipments.²⁵² Michoacán state authorities report that, in 2019, an average of four truckloads were stolen every day.²⁵³ Uruapan, the world’s avocado capital, has become one of the most dangerous cities in Mexico. The country’s National Institute for Statistics and Geography registered 297 murders in Uruapan in 2018, a murder rate akin to war zones.²⁵⁴

²⁴⁹ “2018 List of goods produced by child labor or forced labor,” U.S. Department of Labor, www.dol.gov/sites/dolgov/files/ILAB/ListofGoods.pdf, 9.

²⁵⁰ “México – Tomates - Trabajo forzoso,” U.S. Department of Labor, www.dol.gov/sites/dolgov/files/ILAB/goods_translations/MexicoTomatoesTranslation.pdf.

²⁵¹ “International Trade with Mexico,” U.S. Department of Agriculture, www.ams.usda.gov/services/organic-certification/international-trade-mexico.

²⁵² Kate Linthicum, “Inside the bloody cartel war for Mexico’s multi-billion dollar avocado industry,” *The Los Angeles Times*, November 21, 2019, www.latimes.com/world-nation/story/2019-11-20/mexico-cartel-violence-avocados.

²⁵³ Wagner, “Are Mexican avocados the next conflict commodity?”

²⁵⁴ Franza Viohl, “México: a sangrienta batalla por los aguacates,” *DW*, March 3, 2020, www.dw.com/es/m%C3%A9xico-la-sangrienta-batalla-por-los-aguacates/a-52625865.

Sectors Centered around Host City Committees

For the preparation of the bid, the United Bid Committee signed hundreds of contracts with stadiums, training sites, airports, and cities.²⁵⁵ These generated contractual obligations to entities that are expected to be part of the host city committees. This section explores human rights risks related to sectors for which cities will have some responsibility: construction, electricity, security, and waste management. The first three involve significant coordination between the local government, stadium owners, and FIFA and are a central aspect of FIFA's sustainability strategy. (See structural issues in cities in [Section 5](#))

4.4. Construction: Public Works and Stadium Renovations

Given that FIFA 2.0 places a strong emphasis on sustainability, one of the United Bid's key selling points was the use of preexisting stadiums to reduce environmental impact (versus building new stadiums).²⁵⁶ However, stadiums will still need to be remodeled and there are other infrastructure requirements, for example regarding the updating of public transportation systems and accommodations. According to an interview with the president of Mexico City's Sports Institution (Indeporte), there has been some engagement between local authorities and the Mexico City stadium owner, Televisa, to develop joint urban policies and collaborate towards obtaining the LEED Certificate.

Table 9 – Preexisting Infrastructure in Host Cities

	Guadalajara	Mexico City	Monterrey
Stadium	Chivas OmniLife Stadium	Azteca Stadium	BBVA Bancomer Stadium
Venue-Specific Training Site (VSTS)	Plaza de las Américas "Juan Pablo II" Square Plaza Liberación	Zócalo public square Chapultepec Park	Explanada de los Héroes Parque Fundidora
FIFA Fan Fest	Presidente InterContinental (InterContinental Hotels Group – Grupo Presidente)	Hyatt Regency Mexico City (Hyatt Hotels)	Holiday Inn Parque Fundidora (International Hotel Group -IHG)
Accommodation	Grand Fiesta Americana Hilton Hotel W Hyatt Regency Andares Guadalajara Presidente Intercontinental	Presidente Intercontinental Hyatt Regency Mexico City Royal Pedregal Hotel Radisson Paraíso Perisur Hotel Presidente InterContinental	Holiday Inn Monterrey Norte Best Western Hotel Valle Real SAFI Royal Luxury Valle Quinta Real Camino Real Holiday Inn Parque Fundidora
Transportation (airports, train/bus lines)	Miguel Hidalgo y Costilla Intl. Airport Sistema de Tren Eléctrico Urbano (SITEUR)	Mexico City Intl. Airport Metro CDMX Metrobus CDMX	Monterrey Intl. Airport Metro Monterrey (Metrorrey)
Hospitals	Centro Médico Puerta de Hierro Hospital San Javier Hospital Real San José	Hospital Angeles del Pedregal Hospital Médica Sur Hospital Ángeles Acoxpa	Zambrano Hellion Christus Mugerza Centro Doctor's Hospital Christus Mugerza Vidriera

Source: United Bid Committee.

Key Regional Contractors

Some of the renovations required for the World Cup will involve public works, including updating transportation systems. It is possible that the process for awarding contracts for these public works will begin after local, state, and federal elections have taken place. The next presidential election in Mexico will be in June 2024 and will overlap with state and municipal elections in Mexico City and Jalisco. Local elections in the state of Nuevo León are planned for June 2021. With this in mind, Empower estimates that the public procurement processes at the municipal, state, and federal levels will take place towards the end of 2024 or beginning of 2025.

In 2017, the Mexican Chamber for the Construction Industry ranked the 100 most important construction companies in Mexico. OHL México, formerly a subsidiary of the Spanish company Obrascón Huarte Lain, S.A., was number one. However, OHL has since been at the center of a corruption scandal related to public contracts.²⁵⁷ It was found to have paid substantial commissions to public officials (nearly 50 million EUR) to win contracts for municipal works.²⁵⁸ Following the scandal, in 2018, IFM, an Australian investment fund owned by major Australian pension funds,²⁵⁹ bought a majority stake in OHL México and renamed the company Aleatica.²⁶⁰ Aleatica did own 49% of the Toluca airport (in the Estado de México). However, in 2020, the Mexican government bought all of Aleatica's shares in the airport.²⁶¹ Through its subsidiary, Concesionaria Mexiquense, Aleatica has the concession to operate the Circuito Exterior Mexiquense, a major toll road skirting Mexico City.²⁶²

Grupo Actividades de Construcción y Servicios (ACS) was the number two company in the Mexican Chamber for the Construction Industry's 2017 list. Grupo ACS is listed on the Madrid Stock Exchange,²⁶³ and has several Mexican subsidiaries. The chairman and CEO, Florentino Pérez Rodríguez, has the largest shareholding in the company (13%). Pérez Rodríguez is a Spanish businessman and currently president of the Real Madrid football club. Between 2003 and 2018, Grupo ACS's Mexican subsidiaries were awarded public contracts worth nearly 6.8 million USD.²⁶⁴ AMLO has distanced himself from Gru-

²⁵⁵ "Bio: Emily Duh," Premier Partnerships, accessed July 22, 2020, www.premierpartnerships.com/bio-emily-duh.

²⁵⁶ United Bid Committee, "Bid Book," 446.

²⁵⁷ Armando Tejeda, "Aprietan cerco contra OHL por corrupción," *La Jornada*, June 5, 2019, www.jornada.com.mx/2019/06/05/economia/021n1eco.

²⁵⁸ James Warren, "Leading Spanish Construction Company OHL Faces Corruption Charges," *Euro Weekly*, September 29, 2019, www.euroweeklynews.com/2019/09/29/leading-construction-company-faces-corruption-charges.

²⁵⁹ IFM, www.ifminvestors.com, accessed August 7, 2020.

²⁶⁰ Anna Valle, "El borrón y cuenta nueva Aleatica, el nuevo rostro de OHL México," *Expansión*, January 2, 2019, www.expansion.mx/empresas/2019/01/02/borron-y-cuenta-nueva-de-aleatica-nuevo-rostro-ohl-mexico.

²⁶¹ *EFE México*, "México compra a una exfilial de OHL su participación en el aeropuerto de Toluca," *Expansión*, March 5, 2020, www.expansion.com/empresas/inmobiliario/2020/03/05/5e60a81fe5fdeadc128b463c.html.

²⁶² Aleatica, www.transparencia-aleatica.com.mx/#, accessed August 7, 2020, and OPI, www.orgpi.com.mx, accessed August 7, 2020.

²⁶³ "ACS, ACTIVIDADES DE CONST.Y SERVICIOS S.A.," Bolsa de Madrid, accessed July 20, 2020, www.bolsamadrid.es/esp/aspx/Empresas/FichaValor.aspx?ISIN=ES0167050915.

²⁶⁴ Alberto Sierra, "Los suculentos negocios de Florentino Pérez en México," *Voz Populi*, June 25, 2019, www.vozpopuli.com/economia-y-finanzas/florentino-perez-mexico-contratos-negocios-oscuros_0_1257475576.html.

po ACS, having accused it of corruption regarding the contracts it was awarded under the presidencies of Vicente Fox, Felipe Calderón, and Enrique Peña Nieto.²⁶⁵

Mexico itself has several global construction companies that would be expected to participate in any bid related to the event, including CEMEX, Ingenieros Civiles Asociados, S.A. de C.V. (ICA), México Compañía Constructora, Pinfra, Carso Infraestructura y Construcción, and Ideal. México Compañía Constructora is a subsidiary of Grupo México, the country's largest mining company. Grupo México is a conglomerate in which Mexican billionaire, Germán Larrea Mota-Velasco, has large holdings. Carso Infraestructura y Construcción and Ideal are both subsidiaries of Grupo Carso, the Mexican conglomerate in which another Mexican billionaire, Carlos Slim, has large holdings. AMLO's administration has worked with Slim to secure investment in Mexico.²⁶⁶ The winners of public procurement in relation to the 2026 FWC, however, could be largely determined by the results of the 2024 national and state elections.

Private Spending on Improvements

Many of the building improvements required for the event, including to hotels, stadiums, and training sites, will require private spending. This process is likely to begin as soon as the host cities are confirmed. As discussed here, a private company has already been hired for the renovations of the Azteca Stadium.

Estadio Azteca in Mexico City

Molcaworld, a Spanish company, is in charge of renovating the Azteca Stadium (Estadio Azteca) for the 2026 World Cup.²⁶⁷ It specializes in the design, manufacture, and implementation of branding and visual communication for brands and sports entities and is responsible for redesigning and remodeling various football stadiums.²⁶⁸ The renovation project itself is likely to be completed by a local construction company.

Estadio Akron in Guadalajara

ICA is a major Mexican construction company that built the Akron Stadium (Estadio Akron) in Guadalajara in 2007-08.²⁶⁹ Founded in 1947, ICA used to be the largest construction company in Mexico. However, in recent years, it has had serious debt problems and defaulted on bond payments in 2015, which led to it securing a financing agreement with Delaware-registered²⁷⁰ hedge fund, Fintech Advisory. It was forced to restruc-

²⁶⁵ "López Obrador carga contra Florentin Pérez por sus negocios en México: Eso se acaba," *Voz Populi*, June 25, 2019, www.vozpopuli.com/economia-y-finanzas/Lopez-Obrador-florentino-perez-negocios-Mexico_0_1257774347.html.

²⁶⁶ See, for example, Carolina Rivera, "Carlos Slim y Alberto Bailleres harán anuncios de inversión en México, dice AMLO," *Milenio*, March 16, 2020, www.milenio.com/politica/amlo-carlos-slim-alberto-bailleres-haran-inversion-mexico.

²⁶⁷ EFE, "¡Manita de gato! Empresa española se encargará de la remodelación del Estadio Azteca," *Medio Tiempo*, July 15, 2020, www.mediotiempo.com/futbol/estadio-azteca-empresa-espanola-encargara-remodelacion; EFE, "El estadio Azteca confía remodelación a la empresa española Molcaworld para Copa Mundial del 2026," *Sin Embargo*, June 12, 2020, www.sinembargo.mx/12-06-2020/3803574.

²⁶⁸ "Home," Molcaworld, accessed July 20, 2020, molcaworld.com/?lang=en.

²⁶⁹ "Arranca la construcción del nuevo estadio de Chivas," *Chivas de Corazón*, May 14, 2007, www.chivasdecorazon.com.mx/es/noticias/2020/arranca-la-construccion-del-nuevo-estadio-de-chivas.

²⁷⁰ "Department of State: Division of Corporations," State of Delaware, accessed July 20, 2020, www.icis.corp.delaware.gov/ecorp/entitysearch/NameSearch.aspx.

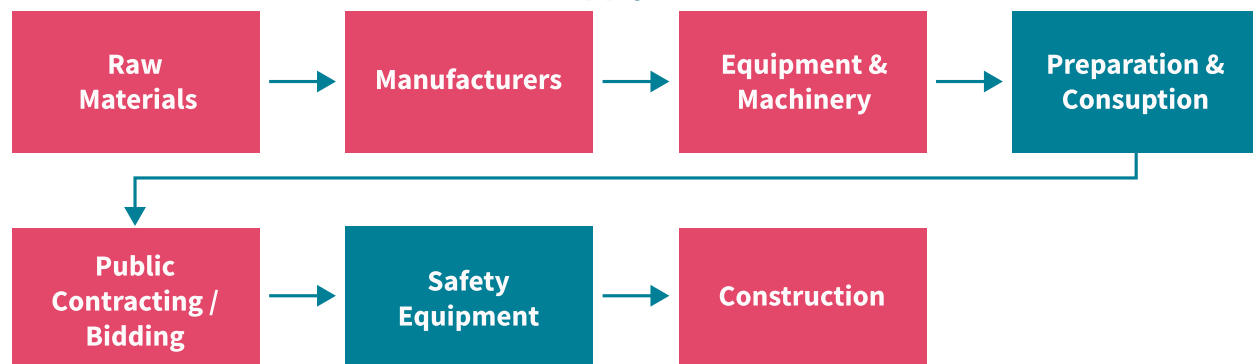
ture and laid off 65% of its non-unionized workers.²⁷¹ A Mexican investor, David Martínez Guzmán, is the multi-billionaire founder and managing partner of Fintech Advisory, which currently has the primary shareholding in ICA, with a 40% stake.²⁷² He is also the second-largest shareholder in Banco Sabadell.²⁷³

ICA is a subsidiary of another Mexican company, Empresas ICA, S.A.B. de C.V., which is listed on the BMV. Empresas ICA's top four institutional investors as of June 2020 are Dimensional Fund Advisors L.P., Parametric Portfolio Associates, LLC, Value Operadora de Sociedades de Inversión, S.A. de C.V., and J.P. Morgan Asset Management, Inc.²⁷⁴

Key Supply Chain Entities

1. Suppliers of raw materials for construction, including, metals, sands, wood, cement, aluminum, etc.
2. Manufacturers and suppliers of construction products, including the manufacturers of steel girders, bricks, etc.
3. Suppliers of construction machinery, including heavy machinery and tools.
4. Design companies, including design and marketing companies such as Molcaworld, mentioned above, and architects.
5. Suppliers of safety equipment, including helmets, harnesses, protective gloves, visors, etc.

Chart 10 – Basic Supply Chain in Construction



Source: Empower.

²⁷¹ “Mexico’s ICA attempts a comeback,” BNAmericas, August 5, 2019, www.bnamericas.com/en/features/mexicos-ica-attempts-a-comeback.

²⁷² *Ibid.*

²⁷³ “Annual Report 2019,” Grupo Banco Sabadell, 2019, www.grupobancosabadell.com/memoria2019/es, 417.

²⁷⁴ CapitalIQ, accessed August 2020; DFA Investment Dimensions Group Inc. - World ex U.S. Core Equity Portfolio, Mutual Fund, period ending April 30, 2020; DFA Investment Trust Company - Emerging Markets Small Cap Series, Exchange Announcement, period ending April 30, 2020; Allianz - Various Insurance Products Trust, AZL DFA International Core Equity Fund, Exchange Announcement, period ending March 31, 2020; DFA Investment Dimensions Group Inc. - Global Social Core Equity Portfolio Fund, Mutual Fund, period ending March 31, 2020; Dimensional Funds ICVC - Dimensional Emerging Markets Core Equity Fund, Mutual Fund, period ending December 31, 2019; and Dimensional Funds - DFA International Core Equity Fund, Annual Report, period ending December 31, 2019; Eaton Vance International (Ireland) Funds PLC - Parametric Emerging Markets Fund, Mutual Fund, period ending December 31, 2019; and Eaton Vance Series Trust II - Parametric Tax-Managed Emerging Markets Fund, Exchange Announcement, period ending March 31, 2020; Fondo Value Crecimiento, S.A. de C.V., position on June 30, 2020.

Key Suppliers

The construction sector uses materials and inputs from many other industries, including steel, sand, wood, aluminum, chemicals, limestone, heavy machinery, and laborers. Below is information regarding the major exporters of some types of construction materials to Canada, the U.S., and Mexico in 2019.²⁷⁵

A) Imports of stone, plaster, cement, asbestos, mica, and similar:

- **Mexico:** Largest exporter to Mexico is the U.S. (349 million USD), followed by China (91 million USD) and Germany (55.2 million USD)
- **Canada:** Largest exporter to Canada is the U.S. (986.5 million USD), followed by China (223.8 million USD) and Italy (63.6 million USD)
- **U.S.:** Largest exporter to the U.S. is Canada (1.2 billion USD), followed by China (1.1 billion USD) and Brazil (796.7 million USD)

B) Imports of metals including iron, steel, aluminum, copper, nickel, cements, tin, and lead:

- **Mexico:** Largest exporter to Mexico is the U.S. (16.2 billion USD), followed by China (4 billion USD) and Japan (2.2 billion USD)
- **Canada:** Largest exporter to Canada is the U.S. (13.2 billion USD), followed by China (4 billion USD) and Germany (819.3 million USD)
- **U.S.:** Largest exporter to the U.S. is Canada (22.9 billion USD), followed by China (21.7 billion USD) and Mexico (12.5 billion USD)

Main Risk Factors

The human rights violations related to construction have been visible in relation to construction projects for Qatar 2022. The fact that no stadiums will be built specifically for the 2026 competition significantly reduces the risk. However, since there will be works to update stadiums and infrastructure in host cities, the risk is not entirely eliminated. Risk areas include:

- **Inherent risks of hazardous work:** Construction jobs are high-risk in terms of safety. In Mexico, many workers are not registered with IMSS (Mexico's national health service).
- **Vulnerable workers:** Construction workers are vulnerable to exploitation, including not being registered with IMSS, not receiving a fair wage, and regarding forced labor and trafficking. Migrant, indigenous, women, and disabled workers are particularly vulnerable.

²⁷⁵ Panjiva, accessed August 2020.

- **Freedom of association:** In Mexico there are concerns about the legitimacy of unions in the sector given their lack of independence and democratic practices, and some have been linked to criminal activities. In August 2020, Mexico's Financial Intelligence Unit froze the bank accounts of construction union leader Hugo Bello, who headed the Freedom Federation of Mexico Workers (CLTM), accusing him of profiting from crimes, including kidnapping, extortion, and murder.²⁷⁶
- **Discrimination:** Women, indigenous groups, people of color, and others have historically been discriminated against in the construction and metals industries.
- **Gaps in legal protection:** In most jurisdictions, many labor protections are limited to “employees,” which excludes some workers from legal protection as many jobs are in the informal sector. There is also a risk that, even where legal protection does exist, they are not enforced.
- **Forced removal of local communities and right to housing:** Local communities were evicted and forcibly displaced in the context of urban construction projects for the 2014 FWC and 2016 Olympics in Rio de Janeiro.²⁷⁷
- **Money laundering, corruption, and tax evasion:** Money laundering, corruption, and tax evasion are common in the construction industry. The Odebrecht Group, the Brazil-based construction giant, is at the center of one of the biggest corruption scandals in history after its companies paid bribes to politicians and officials in countries throughout Latin America, including Mexico.²⁷⁸

A common practice in the construction industry in Mexico is the buying and selling of fake invoices for the sale and purchase of non-existent goods and services, used by construction companies to fraudulently claim tax deductions.²⁷⁹ Mexico's 2013 Anti Money Laundering Act²⁸⁰ explicitly recognizes that construction is a risk area for money laundering and includes the provision of construction services in its definition of “Vulnerable Activities” (Art. 17 (V)).

²⁷⁶ “UIF bloqueó las cuentas de Hugo Bello, líder sindical de la construcción,” *Infobae*, August 12, 2020, www.infobae.com/america/mexico/2020/08/12/uif-bloqueo-las-cuentas-de-hugo-bello-lider-sindical-de-la-construccion.

²⁷⁷ “Brazil 2016 Rio Olympic Games and 2014 World Cup,” Business and Human Rights Resource Centre, www.business-humanrights.org/en/major-sporting-events/brazil-2016-rio-olympic-games-and-2014-world-cup#:~:text=A%20civil%20society%20group%20was,the%20World%20Cup%20football%20matches.

²⁷⁸ Daniel Gallas, “Brazil's Odebrecht corruption scandal explained,” *BBC*, April 17, 2019, www.bbc.co.uk/news/business-39194395.

²⁷⁹ Adolfo Abosaid, “Constructoras, el negocio perfecto para lavar dinero,” *Cuarto Poder*, October 21 (year missing), www.cuartopoder.mx/chiapas/constructoras-el-negocio-perfecto-para-lavar-dinero/303695.

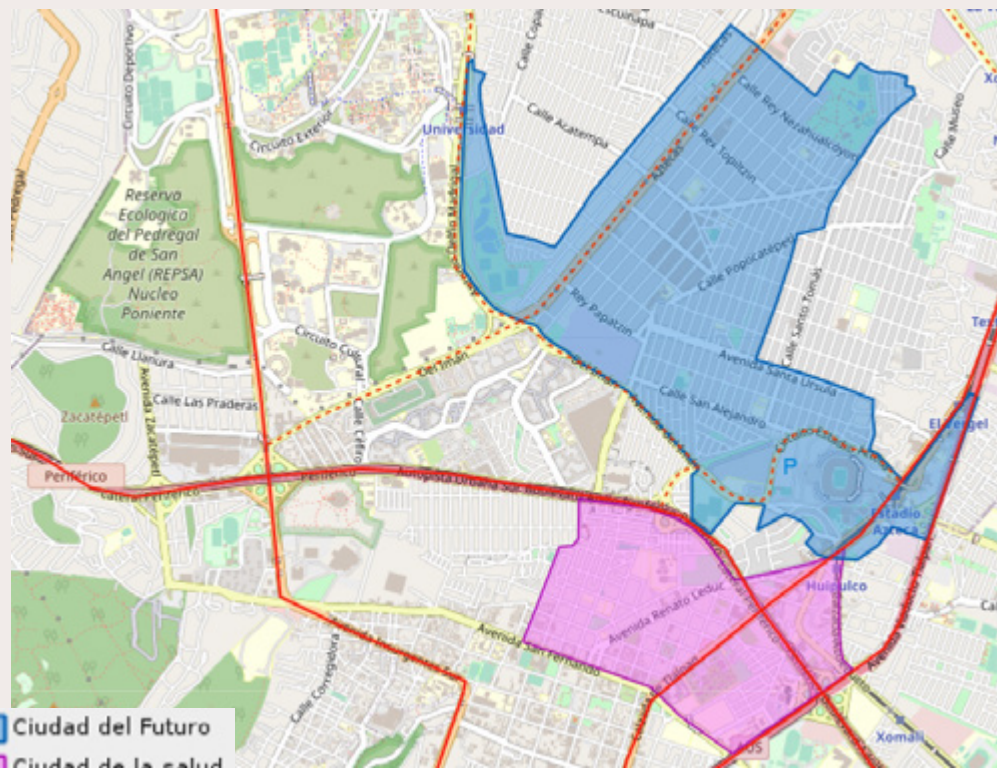
²⁸⁰ “Federal Act for the Prevention and Identification of Operations using Illegally Obtained Funds,” Cámara de Diputados de México, www.diputados.gob.mx/LeyesBiblio/pdf/LFPIORPI_090318.pdf.

Land Conflict Surrounding the Azteca Stadium

There are already several cases of corruption regarding land and water use in the area around the Azteca Stadium, so there is a high risk of illicit activities in the context of World Cup-related construction projects. For example, it has been reported that construction projects in Pedregales de Coyoacán, a nearby neighborhood, are illegally diverting the local water supply.²⁸¹

One particularly contentious development project is the *Ciudad del Futuro* (see map below), a housing project developed by a parastate company that has been given preferential treatment by the Mexico City government. The project will turn green public spaces into “urban parks” ready for further construction and the increase in population density is projected to constitute a serious strain on the already limited local water reserves.²⁸² Local residents have denounced the project as putting private financial interests ahead of the well-being of the local community and environment.²⁸³

Map: ZODES projects in Mexico



Source: GeoComunes.²⁸⁴

²⁸¹ David Martínez, “Acuífero en peligro por construcciones en Coyoacán,” *Reporte Indigo*, July 15, 2019, www.reporteindigo.com/reporte/acuifero-en-peligro-por-construcciones-en-coyoacan-inmobiliarias-perforaciones-agua.

²⁸² “La ZODES sin future,” GeoComunes, www.geocomunes.org/Analisis_PDF/ZODES.pdf; and Accion Comunitaria Pedregales, “Vecinos de la Delegación Coyoacán no creemos en las intenciones de Mancera de hacer de la Planta de Asfalto un lugar de protección al medio ambiente,” *Por un Coyoacán de todxs y para todxs*, May 26, www.20noalaciudadelfuturo.wordpress.com/tag/ciudad-del-futuro.

4.5. Electrification through Renewable Energy

The United Bid makes a commitment to embedding renewable energy solutions into the hosting of the event. It establishes a set of environmental goals and targets, including that the event be carbon neutral and that the competition be powered using renewable energy.²⁸⁵ The United Bid commissioned an independent Environmental Impact Assessment (EIA) to “identify risks, issues and opportunities for responsible environmental protection and enhancement throughout planning, staging, and post-tournament legacy phases of the 2026 FIFA World Cup.”²⁸⁶ The EIA states that “All stadiums must develop their energy management plans to incorporate energy efficiency measures, energy monitoring and a focus on promoting the use of energy efficient fixtures, onsite renewables (solar, wind, geothermal) and a preference for renewable energy from the grid.”²⁸⁷ It also states that “Mexico has enormous renewable energy potential: as much as 6,550 MW in solar, 20 GW in wind, and 1,000MW in geothermal, in addition to excellent possibilities for biofuels.”²⁸⁸

In 2020, the energy sector represented 7% of Mexico’s GDP,²⁸⁹ with hydrocarbons being the primary source of energy. 82.87% of the primary energy production in Mexico in 2018 came from hydrocarbons, with 12.8% coming from sources other than fossil fuels.²⁹⁰

Mexico made concrete commitments to the international community under the Paris Agreement. It has committed to generating 35% of its energy from clean sources by 2024. The energy auctions in Mexico — currently suspended — were helping the country to realize this transition. They are a mechanism by which private companies can bid for contracts to produce the renewable energy required by the CFE at the lowest price possible. There have been three auctions (2015,²⁹¹ 2016,²⁹² and 2017²⁹³), all run by the National Energy Control Center (CENACE), which manages planning of the national electricity system, and the Ministry of Energy (SENER), which is in charge of energy pro-

²⁸³ Museo de los Desplazados, “La Ciudad del Futuro contro los Pedregales de Coyoacan,” available at: www.lefthandrotation.com/museodelosdesplazados/colaboraciones/agencia-subversiones.

²⁸⁴ Yannik, “C.01.9 Proyecto ZODES, Distrito Federal,” GeoComunes, February 13, 2015, 132.248.14.102/maps/178.

²⁸⁵ United Bid Committee, “Bid Book,” 466.

²⁸⁶ United Bid Committee, “EIA – Executive Summary,” FIFA, March 16, 2018, www.img.fifa.com/image/upload/oapcq-j2335fexqnlb5oc.pdf, 2.

²⁸⁷ *Ibid.*, 6.

²⁸⁸ *Ibid.*, 30.

²⁸⁹ “La industria energética en México necesita más impulso,” *Milenio*, March 2, 2020, www.milenio.com/especiales/la-industria-energetica-en-mexico-necesita-mas-impulso.

²⁹⁰ “Balance Nacional de Energía, 2018,” SENER, 2019, www.gob.mx/cms/uploads/attachment/file/528054/Balance_Nacional_de_Energ_a_2018.pdf, 14.

²⁹¹ “Contratos de largo plazo de cobertura eléctrica para la compraventa de energía acumulable y certificados de energías limpias correspondientes a la primera subasta de largo plazo de 2015,” Proyectos México, accessed July 20, 2020, www.proyectosmexico.gob.mx/proyecto_inversion/primer-subasta-de-largo-plazo-slp-12015.

²⁹² “Contratos de largo plazo de cobertura eléctrica para la compraventa de potencia, energía acumulable y certificados de energías limpias correspondientes a la primera subasta de largo plazo de 2016,” Proyectos México, accessed July 20, 2020, www.proyectosmexico.gob.mx/proyecto_inversion/segunda-subasta-de-largo-plazo-slp-12016.

²⁹³ “Contratos de largo plazo de cobertura eléctrica para la compraventa de potencia, energía acumulable y certificados de energías limpias correspondientes a la primera subasta de largo plazo de 2017,” Proyectos México, accessed July 20, 2020, www.proyectosmexico.gob.mx/proyecto_inversion/cenace-3a-subasta-de-largo-plazo-slp-12017.

duction and regulation. The auctions have led to 78 projects won by national and foreign companies: 47 solar parks, 21 wind farms, and 10 others.²⁹⁴ The CFE is the off-taker for the energy produced by projects won under the first and second energy auctions.²⁹⁵ However, the third auction allowed private off-takers in addition to the CFE.²⁹⁶

In May 2020, the SENER, on AMLO's initiative, said it was suspending private investment in renewable energy projects.²⁹⁷ AMLO has said that the government will review all renewable energy production contracts awarded to private companies, stating that they favor companies at the expense of the Mexican State, including through preferential access to distribution systems.²⁹⁸

Identification of Potential Supply Chains

Other than one CFE project in the state of Michoacán, all renewable energy projects awarded under the energy auctions are owned by subsidiaries of foreign companies. It is important to mention that: i) these are not the only renewable energy projects (there were renewable energy projects awarded before the auctions); and ii) many of these projects are not yet in operation and some have been suspended. It is likely that the FIFA events will be powered by energy produced in projects that are close to the stadiums, so the projects located in the following states are the most relevant: Coahuila, Guanajuato, Hidalgo, Michoacán, Morelos, Nuevo León, Puebla, Tamaulipas, and Tlaxcala (See [Annex C](#)).

Since Enel Group companies were awarded six projects in these auctions, this document takes a more detailed look at this company. Enel Green Power Mexico and Enel Rinnovabile are Mexican subsidiaries of Enel SpA, a multinational energy giant that is listed on the Italian stock exchange. The Enel Group is the leading renewable energy producer in Mexico. In October 2017, it established a holding company, Holdco, which owns Enel's eight renewable energy plants in Mexico. Enel then sold 80% of the shares in Holdco to La Caisse de Dépôt et Placement du Québec, a Canadian institutional investor that manages several public and parastate pension plans and insurance programs in Quebec, and CKD Infraestructura México, a consortium of institutional investors, consisting of Mexican pension fund managers (Afores) XXI Banorte, Afore SURA, Banamex, and Pensionisste, as well as the national infrastructure fund Fonadin. Enel still has 20% of the shares in Holdco.²⁹⁹

²⁹⁴ Guillermo García Alcocer, "Subastas eléctricas, ¿quién da más energía limpia?," *El Universal*, October 29, 2018, www.eluniversal.com.mx/cartera/subastas-electricas-quien-da-mas-energia-limpia.

²⁹⁵ "El nuevo suministro eléctrico en México: le energía como parte de la estrategia empresarial," PWC, 2018, www.pwc.com/mx/es/publicaciones/c2g/2018-02-08-reporte-sobre-la-estrategia-de-suministro-electrico-en-mexico_cambio.pdf.

²⁹⁶ Centro Nacional de Control de Energía, "Anuncian SENER y CENACE resultados preliminares de la Tercera Subasta a Largo Plazo," Gobierno de México, November 15, 2017, www.gob.mx/cenace/prensa/anuncian-sener-y-cenace-resultados-preliminares-de-la-tercera-subasta-de-largo-plazo-141668.

²⁹⁷ "Sener publica acuerdo que frena inversión en energías limpias; la UE y Canadá alertan de impacto negativo," *Animal Político*, May 16, 2020, www.animalpolitico.com/2020/05/sener-acuerdo-frena-inversiones-energias-limpias.

²⁹⁸ See for example, AN/GH, "Continuará la batalla legal contra empresas de energía renovable," *Aristegui Noticias*, June 12, 2020, www.aristeguinoticias.com/1206/mexico/continuar-la-batalla-legal-contra-empresas-de-energia-renovable-amlo.

Key Supply Chain Entities

The suppliers of materials necessary to produce renewable energy are also important parts of the supply chain, including producers of wind turbines, hydro turbines, turbines for thermal plants, and solar panels. What follows is a table of some of the main suppliers of these materials.

Table 10 – Principal Suppliers of Renewable Energy Plants

Company	Product and examples of companies supplied
Siemens Gamesa	Wind turbines for EDF ³⁰⁰ and Enel ³⁰¹
Vestas	Wind turbines and park maintenance and management for ENGIE ³⁰²
GE Renewable	Wind turbines for ENGIE ³⁰³
Canadian Solar	Manufactures its own solar panels ³⁰⁴ and supplies EDF ³⁰⁵
Elecnor	Responsible for design, engineering, and supply of equipment for Agua Prieta II thermal plant ³⁰⁶
Jinko Solar	World's largest manufacturer of photovoltaic panels ³⁰⁷
JA Solar	World's second-largest manufacturer of photovoltaic panels ³⁰⁸
Trina Solar	World's third-largest manufacturer of photovoltaic panels ³⁰⁹

²⁹⁹ See Lucia Pérez Moreno, "Control total del mercado verde, meta de Enel Green Power," *Forbes*, October 11, 2018, www.forbes.com.mx/control-total-del-mercado-verde-meta-de-egpm; and CDPQ, "News Release: CDPQ and CKD IM acquire Mexican wind solar assets of Enel Green Power, for a total capacity of 1,712 MW," CDPQ, October 9, 2017, [www.cdpq.com/en/news/pressreleases/cdpq-and-ckd-im-acquire-mexican-wind-and-solar-assets-of-enel-green-power-for-a#:~:text=La%20Caisse%20de%20d%C3%A9p%C3%B4t%20et,Enel\)%2C%20a%20global%20leader%20in](http://www.cdpq.com/en/news/pressreleases/cdpq-and-ckd-im-acquire-mexican-wind-and-solar-assets-of-enel-green-power-for-a#:~:text=La%20Caisse%20de%20d%C3%A9p%C3%B4t%20et,Enel)%2C%20a%20global%20leader%20in).

³⁰⁰ Michelle Froese, "Siemens secures Texas and New Mexico wind-turbine orders," *Wind Power Engineering & Development*, April 25, 2019, www.windpowerengineering.com/siemens-gamesa-secures-texas-and-new-mexico-wind-turbine-orders.

³⁰¹ "Siemens Gamesa signs first contract to supply its new wind turbine of the Siemens Gamesa 4.X platform totaling 249 MW in Mexico," Siemens Gamesa, December 10, 2018, www.siemensgamesa.com/en-int/newsroom/2018/12/contract-onshore-mexico-enel-4-x-platform.

³⁰² Vestas Mediterranean, "ENGIE wind park to feature first 150 Vestas rotors in Mexico," *Global News Wire*, March 21, 2019, www.globenewswire.com/news-release/2019/03/21/1758954/0/en/ENGIE-wind-park-to-feature-first-150m-Vestas-rotors-in-Mexico.html.

³⁰³ "GE to supply 180 onshore turbines for ENGIE projects in Oklahoma and South Dakota," *Wind Power Engineering & Development*, November 13, 2019, www.windpowerengineering.com/ge-to-supply-180-onshore-turbines-for-engie-projects-in-oklahoma-and-south-dakota.

³⁰⁴ "Canadian Solar's First Solar Power Project of 68 MWP in Mexico Started Commercial Operations," *Canadian Solar*, February 14, 2019, www.investors.canadiansolar.com/news-releases/news-release-details/canadian-solars-first-solar-power-project-68-mwp-mexico-started.

³⁰⁵ Surya Rao Akella, "EDF Renewables Mexico begins operations at 120MW BlueMex solar project," *NS Energy*, July 5, 2019, www.nsenergybusiness.com/news/edf-renewables-mexico-solar.

³⁰⁶ "Aguaprieta II combined cycle plant. Mexico," Elecnor, www.elecnor.com/projects/agua-prieta-ii-combined-cycle-plant-mexico.

³⁰⁷ "10 Top Solar Panel Companies in the U.S.A.," *Energy Sage*, July 12, 2020, www.news.energysage.com/best-solar-panel-manufacturers-usa.

³⁰⁸ *Ibid.*

³⁰⁹ *Ibid.*

Main Risk Factors

- **Right to consent and self-determination:** Renewable energy projects in Mexico have been widely criticized by affected communities and CSOs for causing human rights violations. In particular, the Mexican government has approved the installation of projects without first consulting with affected communities, violating their right to self-determination and to free, prior, and informed consent in the case of indigenous communities.
- **Violence:** Some human and environmental rights defenders protesting renewable energy projects in Mexico have been threatened and attacked, even murdered.³¹⁰
- **Environmental destruction:** Renewable projects can cause environmental destruction, for example by using up or diverting local water supplies (particularly in the case of hydropower plants),³¹¹ changing local habitats, and killing flora and fauna.
- **Impacts on traditional livelihoods:** Environmental destruction can have a knock-on effect of destroying traditional local livelihoods related to the land.
- **Greenwashing:** The electrification of stadiums and cities through green energy is an opportunity for companies to receive positive attention. However, some companies with negative human rights records have also invested in clean energy projects and often without the consent of local communities.

UN Working Group on Business and Human Rights in Oaxaca

In 2017, the UN Working Group on Business and Human Rights conducted an official visit to Mexico. Among other places, it visited the state of Oaxaca, one of the regions most directly impacted by the development of large-scale energy projects. Several local NGOs coordinated the Oaxaca visit, during which members of the Working Group met with communities affected by mining, wind energy, and hydrocarbon extraction projects. The Working Group made recommendations aimed at reducing the negative human rights impact of such projects. Although not binding in Mexico, these recommendations served to pressure the government. The Working Group ended its visit with a press conference that helped draw international attention to the struggles of affected communities.³¹²

³¹⁰ See, for example, “Energías renovables y captura corporativa del Estado: el caso de Electricité de France en el Istmo de Tehuantepec, Oaxaca,” ProDESC, November 2018, www.prodesc.org.mx/wp-content/uploads/2019/11/prodesc-investigacion-corporativa-edf-web-comprimido.pdf.

³¹¹ See, for example, Ayanzazú Ayala Martínez, “Los guardianes del río Ajajalpan se enfrentan a un proyecto hidroeléctrico en Puebla,” *Mongabay*, November 30, 2017, www.es.mongabay.com/2017/11/mexico-proyecto-hidroelectrico-rio-ajajalpan-puebla.

³¹² “Se realiza 1a visita regional en Oaxaca del Grupo de Trabajo de Naciones Unidas sobre empresas y derechos humanos,” PODER, www.projectpoder.org/es/2016/09/se-realiza-1a-visita-regional-en-oaxaca-del-grupo-de-trabajo-de-naciones-unidas-sobre-empresas-y-derechos-humanos, accessed September 3, 2020.

4.6. Waste Management

One of the United Bid's environmental goals is for the 2026 World Cup to be a zero-waste event.³¹³ It promises to “embed material reuse, waste, and renewable energy solutions throughout [the] event operations”³¹⁴ and to “incorporate life cycle thinking across all aspects of the Competition and [...] work closely with our supply chains, the Host Cities and their waste management organizations to deliver this challenging goal.”³¹⁵ In Mexico, the local governments of Monterrey, Guadalajara, and Mexico City will be largely responsible for waste management. However, stadiums under FIFA's sustainability strategy are also key partners and are required to embed sustainable waste management practices.

Mexico City

Mexico City has one of the largest populations of any city in the world, which leads to the production of huge amounts of garbage. The city produces around 12,700 metric tonnes of garbage every day.³¹⁶ Manual and mechanized road cleaning, garbage collection, and ridding the city of illegal dumping grounds are all public services provided by different branches of the municipal government.³¹⁷ The different boroughs within Mexico City are responsible for collecting and separating garbage into organic and non-organic matter.³¹⁸

Volunteer garbage collectors who accompany the vehicles or use their own garbage carts are a central part of Mexico City's waste management system. It is unknown how many volunteers there are. The official 2017 CDMX Solid Waste Inventory says there were 3,712 volunteers that year.³¹⁹ However, the Mexico City Human Rights Commission has estimated that there are around 6,000 volunteers and the City's Workers' Union has said the number is closer to 10,000.³²⁰ Volunteers do not receive a wage from the city; instead they make money through tips from local residents and businesses and by sorting the garbage themselves and later selling recyclable and re-usable matter. They are a great asset to the city in terms of ensuring materials are recycled or re-used wherever possible as opposed to being sent to landfills and they save the city money that it would otherwise have to spend on workers and waste management processes.

Once the delegations and volunteers have collected the garbage and separated it into organic and non-organic matter, it is then taken to one of the city's 12 transfer stations.³²¹ These transfer stations sort the garbage and send it to a compost, selection, recycling, or

³¹³ United Bid., p. 466.

³¹⁴ *Ibid.*, p. 446.

³¹⁵ *Ibid.*, p. 470.

³¹⁶ “Basura Cero,” CDMX Environmental Secretariat, www.sedema.cdmx.gob.mx/programas/programa/basura-cero, accessed September 10, 2020.

³¹⁷ “Inventario de Residuos Sólidos CDMX, 2017,” CDMX Environmental Secretariat, 2018, p. 23.

³¹⁸ *Ibid.*, p. 18.

³¹⁹ *Ibid.*, p. 21.

³²⁰ “Recomendación 7/2016,” CDMX Human Rights Commission, 2016, www.cdhcm.org.mx/wp-content/uploads/2016/07/reco_0716.pdf, pgs. 48-9.

chemical treatment plant or to a landfill. Mexico City currently has two selection plants: San Juan de Aragón and Santa Catarina.³²² The vast majority of matter sent to these plants is then sent on to landfills. Only 4% is selected for recycling or reuse.

In June 2020, the CDMX Secretariat for Public Works and Services announced that a new selection plant that is currently under construction will be finished by the end of the year. It is hoped that the plant, which is located in Azcapotzalco, will help to recycle 76% of the waste it receives, saving the city 100 million MXN a year. The Secretariat also highlighted the reduction in waste being taken to landfills with 8,031 metric tonnes being deposited in landfills in 2019, down from 8,600 tonnes in 2018. It is hoped that the figure for 2020 will be 7,160 tonnes.³²³ The city has eight compost plants, though 98% goes to a plant called Bordo Poniente.³²⁴

In 2017, Mexico City commissioned the French company Veolia to build El Sarape, the first plant in Latin America to turn waste into energy. The fuel will be used to run the city's metro.³²⁵ The plant has been widely criticized, including by international specialists who say that it will emit toxic substances that harm the environment and human health, will be inefficient and not produce the amount of energy the government has claimed, and a large amount of the waste taken to the plant could be recycled, re-used, or turned into compost.³²⁶ In 2018, Claudia Sheinbaum, Head of the Mexico City Government, canceled the construction of the plant saying it did not have the requisite environmental permits and was not fit for purpose.³²⁷

The waste that cannot be reused, recycled, or turned into compost is sent to one of five different landfills, three in the Estado de México (Cañada, Cuautitlán, and Milagro) and two in Morelos (Cuautla and Tepoztlán).³²⁸ The two largest landfills are La Cañada and El Milagro, both located in the municipality of Ixtapaluca. La Cañada and El Milagro are unpopular with local residents and have sparked protests in the past.³²⁹

³²¹ "Inventario de Residuos Sólidos CDMX, CDMX Environmental Secretariat 2017," *Mexico City*, 2018, p. 30.

³²² *Ibid.*, p. 32.

³²³ Arturo Ordaz Díaz, "Nueva planta de basura reciclará el 76% y ahorrará 100mdp: CDMX," *Forbes*, June 5, 2020, www.forbes.com.mx/noticias-planta-basura-reciclaje-ahorro-100-mdp-cdmx.

³²⁴ "Inventario de Residuos Sólidos CDMX, 2017," CDMX Environmental Secretariat, 2018, p. 34.

³²⁵ *Ibid.*, p. 38.

³²⁶ Shareni Guzmán, "Expertos internacionales reprueban 'El Sarape,'" *La Silla Rota*, November 28, 2019, www.lasillarota.com/metropoli/expertos-internacionales-reprueban-a-el-sarape-el-sarape-cdmx/191159; and Erika Ramírez, "La Ciudad de México no resistirá planta incineradora: ambientalistas," *Contralínea*, January 11, 2018, www.contralinea.com.mx/archivo-revista/2018/01/11/la-ciudad-mexico-no-resistira-planta-incineradora-ambientalistas.

³²⁷ Israel Díaz, "Electricidad a partir de la de residuos en la Ciudad de México aún no es una opción," *Conexiones*, July 25, 2020, www.conexiones365.com/nota/electricidad-rsu-cdmx-tarea-pendiente.

³²⁸ "Programa de Gestión Integral de Residuos Sólidos," CDMX Environmental Secretariat, www.sedema.cdmx.gob.mx/storage/app/media/programas/residuos-solidos/pgirs.pdf, p. 15.

³²⁹ Johana Robles and Emilio Fernández, "Molesta a vecinos envíos de basura a Ixtapaluca," *El Universal*, January 3, 2012, www.archivo.eluniversal.com.mx/ciudad/109618.html.

In May 2019, Mexico City published its Zero Waste Action Plan, which has the goal of achieving a circular economy and increasing the amount of discarded matter that is re-used, recycled, or made into compost from the current 4,100 tonnes per day to 10,700 tonnes per day.³³⁰ The action plan contains various initiatives to achieve its goals. The first is a ban on single-use plastics. This year, the city made the sale and distribution of plastic bags illegal. In 2021, it will also ban the sale of other single-use plastic goods, such as cutlery, straws, cups, and tampon applicators. Second, waste management systems will be improved, including through better garbage separation, more recycling and improved waste collection, and management infrastructure.

Key Supply Chain Entities

In 2011, the Environmental Secretariat for the Estado de México awarded two private companies authorizations to operate La Cañada and El Milagro and receive and dispose of up to 6,000 tons of garbage every day.³³¹ These companies are Reciclados Integrales Ambientales, S.A. de C.V. and Tecnosilicatos de México, S.A. de C.V., respectively,³³² which have contracts with Mexico City's Secretariat for Public Works and Services.³³³ Reciclados Integrales Ambientales is registered in Chalco, Estado de México. Mexico's Public Commercial Record does not contain information about its shareholders.

Tecnosilicatos de México is registered in Cuautitlán, Estado de México. The shareholders are Rafael Carmona Pardo, Anastasio Rogelio López López, José Ramón Alonso Pujol, Francisco Antonio Carmona Miñón, and Carlos Bautista, as well as the company Iecosa Corporation, S.A. de C.V. Carmona Pardo, Carmona Miñón, and Iecosa Corporation have by far the largest shareholdings. What follows is more information about Tecnosilicatos and its shareholders.

Tecnosilicatos de México's New Waste Management Contracts in Hidalgo

In 2020, the local environmental agency closed two landfills in the state of Hidalgo, which resulted in several new contracts for Tecnosilicatos de México related to temporary waste management and for the construction of a new landfill. There are issues surrounding Tecnosilicatos, its shareholders, and these new contracts. First, companies associated with the shareholders have been accused, in the past, of building landfills without the relevant environmental permits. Second, it is unclear whether Hidalgo needs a new landfill, at a cost of 10 million

³³⁰ "Basura Cero," CDMX Environmental Secretariat, May 6, 2019, www.sedema.cdmx.gob.mx/storage/app/media/BASURA%20CERO_Final%2026Mayo19.pdf.

³³¹ *Ibid.*, p. 9.

³³² Directorate of Public Services, Ixtapaluca Town Hall, "Response to Information Request, Document no. 00060/IXTAPALU/1P/2014," Directorate of Public Services, October 17, 2014, www.ipomex.org.mx/recursos/ipo/files_ipo/2014/8/12/b2fd-8682b6e0972d72e974e84ddedc27.pdf.

³³³ See contract between Reciclados Integrales Ambientales and CDMX Secretariat for Public Works and Services, 2015, www.data.obras.cdmx.gob.mx/wp-content/uploads/2016/06/PS-AD-138-1.pdf.

MXN, when it already has five. Furthermore, the *ejido* whose land the project will be built on will not receive payment or compensation. Also, in 2006, Tecnosilicatos bought the collection, sorting, and treatment of garbage plants in the municipality of Tuxtla Gutiérrez in the state of Chiapas, despite the fact that it had previously removed itself from the public tendering process for these plants.³³⁴ There are serious questions regarding the suitability of Tecnosilicatos as a public contractor, particularly given the opacity surrounding the procurement processes through which the company has received contracts.

Guadalajara

The metropolitan area of Guadalajara produces more than 5,000 metric tonnes of garbage every day, which amounts to almost 2 million tonnes per year. A large part of this garbage does not get recycled, re-used, or composted. In September 2019, the Governor of Jalisco announced the launch of a new solid waste program, *Jalisco Reduce*, which strives to improve garbage collection services and ensure the sustainable management of waste, including improved separation, and more recycling, re-use, and composting.³³⁵ As part of the *Jalisco Reduce* program, the government promises to construct two Circular Economy Integral Centers (CIEC) where waste will be separated and recycled or re-used where possible.³³⁶

Currently, there are 51 landfills in Jalisco, 15 of which were at their limit as of June 2019. Of those at their limit, the closest to Guadalajara are Acatlán and Zacoalco de Torres.³³⁷ All of Jalisco's landfills have been criticized for not having the necessary technology to separate waste from recyclable, re-usable, and organic matter.³³⁸ There are two landfills in the municipality of Zapopan, where the Akron stadium is located: Hasars and Picachos. Previously, most of the waste produced by the city of Guadalajara was taken to a landfill called Los Laureles. However, in September of last year, the same day that he announced the launch of *Jalisco Reduce*, the Governor of Jalisco announced the closure of Los Laureles. As a temporary measure, the waste from Los Laureles will be taken to Picachos. In the long-term, Picachos will be turned into a CIEC and a new CIEC will be built in the south of the city³³⁹ to receive waste from Guadalajara and three other municipalities.³⁴⁰

³³⁴ Lorena Rosas, "El sospechoso rescate de Tecnosilicatos a alcaldías sin basurero," *La Silla Rota Hidalgo*, June 14, 2020, www.hidalgo.lasillarota.com/estados/el-sospechoso-rescate-de-tecnosilicatos-a-alcaldias-sin-basurero-clausura-rellenos-sanitarios-secretaria/402427.

³³⁵ Andrés Villalobos, "Jalisco Reduce: Lanza gobierno de Jalisco programa integral Jalisco Reduce; Anuncia Enrique Alfaro cierre del relleno sanitario de Los Laureles," Jalisco Environmental Secretariat, September 18, 2019, www.semadet.jalisco.gob.mx/noticias-referencias/jalisco-reduce.

³³⁶ "Lanza Gobierno de Jalisco programa integral Jalisco Reduce; anuncia Enrique Alfaro cierre del relleno sanitaria de Los Laureles," Gobierno del Estado de Jalisco, September 17, 2019, www.jalisco.gob.mx/es/prensa/noticias/94175.

³³⁷ "Al límite uno de cada tres basureros en Jalisco," *El Informador*, June 4, 2019, www.informador.mx/Al-limite-uno-de-cada-tres-basureros-en-Jalisco-l201906040001.html.

³³⁸ *Ibid.*

Human Rights and Environmental Violations at Landfills in Jalisco

Local communities have been fighting for years to close Los Laureles, Picachos, and Hasars due to the harm these landfills cause to the environment and to human health.³⁴¹ Toxic waste, including leaching materials, seeps from the landfills into the soil and local water sources, contaminating the Santiago River, now the most polluted river in Mexico.³⁴² In April 2019, there was a serious fire at Los Laureles, which emitted large amounts of toxic fuels and took days to put out.³⁴³ The Jalisco Human Rights Commission recommended that Los Laureles be closed due to the serious harm it was causing the local ecosystem and health of local residents, through soil, air, and water pollution.³⁴⁴ In September 2019, the Government of Jalisco eventually closed Los Laureles. The Picachos landfill remains open and now receives the waste that had previously been taken to Los Laureles, exacerbating its harmful impacts.

Key Supply Chain Companies

The Picachos landfill is run by the Zapopan city government.³⁴⁵ Hasars, S.A. de C.V. owns and runs the Zapopan landfill with the same name,³⁴⁶ as well as a transfer station in the municipality of Tlaquepaque, in the south of Guadalajara.³⁴⁷ Hasars is a private compa-

³³⁹ “Lanza Gobierno de Jalisco programa integral Jalisco Reduce,” Gobierno del Estado de Jalisco, www.jalisco.gob.mx/es/gobierno/comunicados/lanza-gobierno-de-jalisco-programa-integral-jalisco-reduce, accessed September 16, 2020.

³⁴⁰ Caabsa Eagle, “Proyectos,” accessed September 15, 2020, <http://caabsaeagle.com.mx/proyectos>.

³⁴¹ Juan Carlos Partida, “Reclaman en Zapopan frenar contaminación,” *La Jornada*, April 2, 2014, www.jornada.com.mx/2014/04/02/estados/032n1est.

³⁴² Javier Sierra, “A River of Death,” Sierra Club, www.sierraclub.org/planet/2018/09/river-death; Raymundo Javier Álvarez López and Jennifer Hinojosa Correa, “Crisis civilizatoria y contaminación por vertederos de residuos; afectacions e los derechos fundamentales en Zapopan, Jalisco,” *Instituto de Investigación y Capacitación de Derechos Humanos*, September 5, 2016, www.cedhj.org.mx/revista%20DF%20Debate/articulos/revista_No2/ARTICULO-4-2.pdf, p. 45; Sergio Hernández, “Denuncian a basurero Hasar’s por derrame de lixiviados,” *Crónica de Sociales: Registro periodístico de las resistencias y luchas en Jalisco*, January 22, 2013, www.cronicadesociales.wordpress.com/2013/01/22/denuncian-a-basurero-hasars-por-derrame-de-lixiviados.

³⁴³ *Milenio*, “Van tres días de combate a incendio en Los Laureles,” *YouTube*, April 17, 2019, www.youtube.com/watch?v=Stulr7Lh72o.

³⁴⁴ “La CEDHJ solicita clausurar relleno sanitario Los Laureles,” *El Informador*, September 3, 2019, www.informador.mx/jalisco/La-CEDHJ-solicita-clausurar-relleno-sanitario-Los-Laureles-20190903-0034.html.

³⁴⁵ Raymundo Javier Álvarez López and Jennifer Hinojosa Correa, “Crisis civilizatoria y contaminación por vertederos de residuos; afectacions e los derechos fundamentales en Zapopan, Jalisco,” *Instituto de Investigación y Capacitación de Derechos Humanos*, September 5, 2016, http://cedhj.org.mx/revista%20DF%20Debate/articulos/revista_No2/ARTICULO-4-2.pdf, p. 45.

³⁴⁶ “Propuesta estatal para la prevención y gestión integral de residuos del Estado de Jalisco: 2016-2022,” Jalisco State Government, 2017, www.semadet.jalisco.gob.mx/sites/semadet.jalisco.gob.mx/files/programa_estatal_de_residuos_2017-2022.pdf, p. 121.

³⁴⁷ “Propuesta estatal para la prevención y gestión integral de residuos del Estado de Jalisco: 2016-2022,” Jalisco State Government, 2017, www.semadet.jalisco.gob.mx/sites/semadet.jalisco.gob.mx/files/programa_estatal_de_residuos_2017-2022.pdf, p. 341; and see Contract between Tlaquepaque Municipal Government and Hasars, S.A. de C.V. regarding waste to be taken to the Hasars transfer station, September 20, 2009, www.transparencia.tlaquepaque.gob.mx/wp-content/uploads/2016/01/ContratoHasars.pdf.

ny registered in Guadalajara and is part of the Mexican group Hasars Grupo Ecológica, which is split into four divisions: biofuels, energy, waste management, and water treatment.³⁴⁸ Hasars has two shareholders: Juan José Hawa Sarquis and Julieta González Ibarra. Hawa Sarquis is general director of the whole group.³⁴⁹

Los Laureles landfill is owned by Caabsa Eagle Guadalajara, S.A. de C.V. (CAG), which will also be responsible for the construction of the new CIEC to replace Los Laureles.³⁵⁰ Over the years, CAG has been awarded a number of Guadalajara city contracts for garbage collection as well as for the construction of transfer stations and landfills.³⁵¹ CAG is a private company registered in Guadalajara. CAG is part of the Caabsa Group, a Mexican conglomerate owned by founding brothers Luis and Mauricio Amodio Herrera. Its companies operate in different sectors, including infrastructure, finance, and waste management. In February 2020, Obrascón Huarte Lainé (OHL) — a global construction conglomerate whose parent company, OHL, S.A., is listed on the Spanish Stock Exchange (see Section 4.4 on Construction) — announced that it would merge with Caabsa and that the Amodio brothers would acquire 30-35% of the new company.³⁵² This merger failed³⁵³ and, in May 2020, Caabsa instead acquired a 16% stake in OHL, S.A., becoming its largest shareholder.³⁵⁴

Monterrey

Nuevo León's Integral System for the Ecological Management and Processing of Waste (SIMEPRODE) is responsible for the state's waste management system. It runs the metropolitan area of Monterrey's one waste classification center, which receives up to 200,000 tonnes of garbage every day, and the city's landfill in the municipality of Salinas Victoria. All Monterrey's garbage – more than 5,000 tonnes per day – ends up in the Salinas Victoria landfill, also run by SIMEPRODE. Monterrey is seriously under-performing in terms of its recycling, re-use, and composting capacities. Only 5% of the garbage produced by Monterrey is re-used.³⁵⁵ The city did have a successful scheme for turning garbage into biogas to power the metro. But today, the machinery used by SIMEPRODE is old, which reduces its capacity to process and recycle waste or turn it into energy.³⁵⁶

³⁴⁸ Hasars Grupo Ecológica, www.hasars.com, accessed September 15, 2020.

³⁴⁹ “Presentan planta tratadora de jugos de basura,” *El Informador*, January 12, 2012, www.informador.mx/Jalisco/Presentan-planta-tratadora-de-jugos-de-basura-20120112-0052.html.

³⁵⁰ Caabsa Eagle, “Proyectos,” accessed September 15, 2020, <http://caabsaeagle.com.mx/proyectos>.

³⁵¹ See, for example, Contract between Guadalajara Town Hall and Caabsa Eagle, S.A. de C.V. for construction of a transfer station, April 22, 2005, www.transparencia.guadalajara.gob.mx/sites/default/files/Convenio.pdf.

³⁵² “Significant Event. Consideration about the potential integration of the construction business of Caabsa and OHL,” OHL, February 4, 2020, www.ohl.es/en/press-room/news/2020/february-2020/200204-significant-event-consideration-about-the-potential-integration-of-the-construction-business-of-caabsa-and-ohl.

³⁵³ “Inside information. OHL and Caabsa have agreed to terminate the exclusivity period,” May 20, 2020, www.ohl.es/en/press-room/news/2020/may-2020/200520-inside-information-ohl-and-caabsa-have-agreed-to-terminate-the-exclusivity-period.

³⁵⁴ “El Consejo de Administración de OHL designa Presidente a D. Luis Fernando Martín Amodio Herrera,” OHL, June 15, 2020, www.ohl.es/sala-de-prensa/noticias/2020/junio-2020/200615-el-consejo-de-administracion-de-ohl-designa-presidente-a-d-luis-fernando-martin-amodio-herrera.

³⁵⁵ Hiram Alonso Ortega Borunda, “Llamam a clasificar la basura en los hogares de Monterrey,” *Tecnológico de Monterrey*, August 23, 2019, www.tec.mx/es/noticias/nacional/investigacion/llaman-clasificar-la-basura-en-los-hogares-de-monterrey.

³⁵⁶ Alejandro González, “Nuevo León, con la basura hasta el cuello: deudas e inoperancia,” *Milenio*, July 20, 2015, www.milenio.com/opinion/alejandro-gonzalez/columna-alejandro-gonzalez/nuevo-leon-con-la-basura-hasta-el-cuello-deudas-e-inoperancia.

In 2017, SIMEPRODE signed an agreement with Banobras, Mexico's development bank, to improve the state's waste management system through a public-private partnership. Banobras and the State of Nuevo León split the cost of studies for the development of the Project for the Integral Management of Solid Urban Waste and Specialized Waste in the Metropolitan Area of Monterrey (Project).³⁵⁷ The Project is designed to extend the lifespan of the city's current landfill by 30 years and limit the amount of waste that ends up in the landfill. It will consist of the following waste management centers: admission, register and quality control; separation and transformation; energy conversion; production of methane gas; and a landfill site. The Project will make money through the sale of waste and recyclable products and by converting waste into energy. It will receive 1,015,300,000 MXN of public investment (10% of the Project's total value) and needs to raise 9,137,700,000 MXN of private investment (90% of the total value of the project).³⁵⁸

Main Risk Factors

- **Inherent risks of hazardous work:** The vehicles used to collect garbage are old and emit fumes, which harm workers' health.³⁵⁹ Neither employees nor volunteer garbage collectors are provided with the necessary clothing to protect them from harmful substances. The transfer stations are dangerous and unsanitary places to work, which puts workers' health at risk.³⁶⁰
- **Precarious working conditions and vulnerable workers:** Volunteers have no job security or social security and face serious barriers to organizing. Volunteers are practically invisible, which makes them particularly vulnerable to abuse from the public. They are often subjected to violence.³⁶¹
- **Displacement:** Volunteers run the risk of being displaced by recycling companies and companies working with new types of technology, including incineration plants and underground garbage dumps.³⁶²
- **Environmental risks:** Many parts of the waste management systems cause environmental harm. The vehicles used to collect garbage are old and emit fumes. Landfills pollute the surrounding areas as harmful substances seep into the earth and water systems. Fires from landfills emit toxic fumes that harm the environment.

³⁵⁷ "Noticias: Autorizan a Siemprode convenio con Banobras," Government of Nuevo León, April 3, 2017, www.nl.gob.mx/noticias/autorizan-simeprode-convenio-con-banobras.

³⁵⁸ Proyectos de México, "Construcción, operación, mantenimiento, conservación y explotación de centro para la gestión integral de residuos sólidos urbanos y de manejo especial en la zona metropolitana de Monterrey, Nuevo León," www.proyectosmexico.gob.mx/proyecto_inversion/0851-gestion-integral-de-residuos-solidos-urbanos-y-de-manejo-especial-en-la-zona-metropolitana-de-monterrey-nuevo-leon, accessed September 16, 2020.

³⁵⁹ Tania Espinosa, Dean Saffron, Olga Abizaid, and Lucia Fernández, "Trabajadores invisibles dentro del servicio de limpieza de la Ciudad de México," *Women in Informal Employment: Globalizing and Organizing*, 2018, www.wiego.org/sites/default/files/publications/files/WIEGO_Booklet_Tabajadores_invisibles_dentro_del_servicio_de_limpia_de_la_CDMX.pdf, p. 24.

³⁶⁰ "Recomendación 7/2016," Mexico City Human Rights Commission, 2016, www.cdchcm.org.mx/wp-content/uploads/2016/07/reco_0716.pdf, p. 52.

³⁶¹ Tania Espinosa, Dean Saffron, Olga Abizaid, and Lucia Fernández, 2018.

³⁶² *Ibid.*, p. 5.

- **Human health:** Landfills pollute the surrounding areas as harmful substances seep out of the garbage. These toxic substances are passed on to humans through the water systems and soil. Fires from landfills emit toxic fumes that harm human health.

Mexico City Human Rights Commission's Recommendation Regarding Waste Management and Volunteer Workers

In 2012, Mexico City's Human Rights Commission began an investigation into the capital's waste management and published their findings in a 2016 recommendation (Recommendation 7/2016). The Commission found serious deficiencies in the city's waste management system, including multiple clandestine garbage dumps, poor implementation of regulations, poor coordination between responsible institutions, and undignified working conditions for volunteer garbage collectors. Recommendation 7/2016 states that, among other things, the institutions responsible for waste management should increase recycling and reduce the amount of waste that ends up in landfills, and that responsible institutions should recognize the work of volunteers and ensure dignified working conditions.³⁶³

Four years on there has been no regulatory improvement to protect volunteer garbage collectors. The Environmental Regulation (NADF-024 – AMBT 2013), which came into force in 2017, promotes garbage separation but does not acknowledge volunteer workers. Mexico City's Solid Waste Act has been reformed and includes improved environmental protections, but still does not recognize volunteer workers.

4.7. Security

During the bidding process, FIFA requires host governments organizing a World Cup to guarantee safety and security throughout the tournament. "The Government is requested – at its own cost – to assume full responsibility for safety and security at the Competition and Competition-related events. This includes developing a security strategy and concept (in close cooperation with further state, regional and municipal government law enforcement and security authorities in the Host Country/Host Countries), implementing the necessary security measures and assuming liability for safety and security incidents. With respect to the safety and security at certain sites and locations used for the Competition, FIFA will also develop concepts fully integrated in the overall framework concept for safety and security at the Competition."³⁶⁴ (See (de)-securitizing the tournament in [Section 5.2](#))

³⁶³ "Recomendación 7/2016," Mexico City Human Rights Commission, 2016, www.cdhcm.org.mx/wp-content/uploads/2016/07/reco_0716.pdf.

³⁶⁴ "Overview of Government Guarantees and the Government Declaration," FIFA, www.img.fifa.com/image/upload/ufybn-q0f1kd2g1nhw5pc.pdf.

The FIFA Safety & Security Subdivision provides support and expert advice in safety and security-related matters to host countries, local security agencies, and FIFA member associations. This includes reviewing national security concepts and operational security plans, conducting inspection visits, and appointing FIFA Safety & Security Officers in match venues.³⁶⁵ FIFA's Stadium Safety & Security Regulations designate duties and responsibilities before, during, and after matches in relation to safety and security at the stadium.³⁶⁶ The Regulations require consultation between the stadium security officer, the police, fire, and ambulance services, local health authorities, local government authorities, and the event organizer in order to agree upon a plan of action for all eventualities.³⁶⁷

For the 2026 FWC in particular, the United 2026 Bid proposed establishing a “United World Cup Command” (Command) through a Memorandum of Understanding between the three host countries. This Command would oversee “the central planning and management forum for security matters related to the 2026 FWC.”³⁶⁸ Each country would commit to a “unified command structure in which the agencies with different legal, geographic, and functional authorities and responsibilities will work together effectively.”³⁶⁹

A variety of different state and private actors will be involved in providing security services related to the World Cup, including the immigration authorities (in terms of border control), municipal, state, and potentially federal police, the National Guard, fire services, and the civil defense services. FIFA's Stadium Safety & Security Regulations allow it to hire state authorities, including police and military personnel to provide match-day security.

Private Security Providers

In terms of stadium security, the United 2026 Bid proposed establishing Stadium Command Centers which would “include representatives from fire, medical, and police, and will have a view of the stands and field of play and be supported with CCTV for other areas in and around the stadium.”³⁷⁰

Private security providers will also be essential to the event. In Russia, around 14,500 employees of private security firms were deployed at stadiums during matches.³⁷¹ For the 2016 FWC in Brazil, there were around 2,000 private security companies providing services related to the event.³⁷² In Qatar, it seems that much of the security will be provided by local firms that are already undergoing training in advance of the 2022 FWC.³⁷³

³⁶⁵ “Letter to the Member Associations of FIFA: Safety & Security Officers,” FIFA, November 13, 2017, www.resources.fifa.com/image/upload/1602-fifa-safety-security-officers-candidates-2920564.pdf?cloudid=drbres3lphzhjlw5blma.

³⁶⁶ “FIFA Stadium Safety & Security Officers Regulations,” FIFA, www.img.fifa.com/image/upload/xygc4m3h1r1zudk7rnkb.pdf.

³⁶⁷ *Ibid.*

³⁶⁸ United Bid Committee, “Bid Book.”

³⁶⁹ *Ibid.*

³⁷⁰ *Ibid.*, 386.

³⁷¹ “About 14,500 security guards, 16,500 stewards to ensure security at 2018 FIFA World Cup,” *Tass*, October 3, 2017, www.tass.com/sport/968754.

³⁷² Donna Bowater, “World Cup: Brazil’s small security firms get ready,” *BBC*, May 22, 2014, www.bbc.com/news/business-27291188.

³⁷³ “Private security firms get trainings before Gulf and FIFA Club World Cup,” *Khel Updates*, November 19, 2019, www.khelupdates.com/2019/11/19/barcelonas-digne-insists-real-madrid-arent-la-liga-favourites.

According to the 2026 Bid Book, “all stadium security will be trained and tested on current best practices and professional standards, as well as international human rights standards and protocols.”³⁷⁴

Chart 11 – Actors Involved in FIFA Security Provision



Source: Empower.

Private security is regulated at both a federal and state level in Mexico. Red tape means that registering a security company can be difficult and expensive, but there is little government enforcement of the rules, making it easy for unregulated small firms to pop up offering protection services. A 2018 report by a Washington D.C.-based think tank, the Inter-American Dialogue, found that 8,000 private security companies in Mexico, or up to 80% of the total, were unregulated.³⁷⁵

A company called Lobo, S.A. de C.V. currently provides security for Estadio Azteca.³⁷⁶ Lobo does not appear in Mexico’s online corporate register so its ownership is opaque.

³⁷⁴ United Bid Committee, “Bid Book,” 390.

³⁷⁵ Stefanie Eschenbacher, “Mexico private security boom adds to corruption, use of force: study,” *Reuters*, March 23, 2018, www.reuters.com/article/us-mexico-security/mexico-private-security-boom-adds-to-corruption-use-of-force-study-idUSKBN1H339B; and Sarah Kinosian and James Bosworth, “Security for Sale: Challenges and Good Practices for Regulating Private Military and Security Companies in Latin America,” *The Inter-America Dialogue*, March 2018, www.thedialogue.org/wp-content/uploads/2018/03/Security-for-Sale-FINAL-ENGLISH.pdf.

³⁷⁶ “Video. Staff de seguridad del Estadio Azteca propina golpiza a seguidores del América,” *El Universal*, May 14, 2018, www.el-universal.com.mx/universal-deportes/futbol/video-staff-de-seguridad-del-estadio-azteca-propina-golpiza-seguidores-del-lobo.com.mx/Vision/Default.aspx.

³⁷⁷ “Clientes,” *RG Seguridad Privada*, accessed July 20, 2020, www.rgseguridadprivada.com.mx/clientes-2.

R.G. Seguridad Privada, S.A. de C.V. provides the security for the Estadio BBVA in Monterrey, as well as for Monterrey Football Club.³⁷⁷ R.G. Seguridad does appear in Mexico's online corporate register, which shows it is a private family company registered in Monterrey in 2003 to Juan Angel Ríos Garza and Francisco Javier Ríos Garza, each listed as having a 50% share in the company.

Greater Industry Oversight in Private Security

There are two principle voluntary initiatives regarding private security companies: The Voluntary Principles on Private Security and Human Rights³⁷⁸ and the International Code of Conduct for Private Security Providers. Both can be used as reference points to pressure private security companies to uphold the highest standards.

The Voluntary Principles were created in 2000 as part of a multi-stakeholder initiative composed of governments (including Canada and the U.S., but not Mexico), international NGOs, and companies in the natural resources and energy industries. The Principles cover risk assessment, companies and public security, and companies and private security. They were originally developed for the extractive and energy sector, but are now implemented by companies in different sectors. The Code of Conduct requires, among other things, that companies conduct human rights due diligence as well as submit themselves to monitoring, assessment of performance, and corrective action for violations. In the U.S. and Canada, private security companies are required to be members of the International Code of Conduct for Private Security Providers' Association as a prerequisite to participating in bidding processes. This is not the case in Mexico.

In Mexico, at the federal level, private security is regulated under the Federal Private Security Act, with the Public Security Secretariat being the responsible institution. In Mexico City, private security is regulated under Mexico City's Private Security Act, with the Ministry for Citizens' Security being the responsible institution. In Jalisco, private security is regulated under Jalisco's Private Security Act, with the State Council for Public Security being the responsible institution. In Nuevo León, private security is regulated under Nuevo León's Private Security Act, with the Ministry for Public Security being the responsible institution. The federal and state authorities mentioned are responsible for authorizing private security companies and regulating their activities.

Key Supply Chain Entities

1. Those responsible for the training of security staff, including training stadium stewards: According to FIFA's Stadium Safety & Security Regulations, the training of stewards must be done by competent organizations (21.2). In Qatar, training is being organized by the Supreme Committee for Delivery & Legacy, the body responsible for the delivery of the required infrastructure and host country planning and operations for the 2022 FWC. The training is being provided to private security firms by unnamed security experts from the U.K., who also provide consultancy

³⁷⁸ "The Voluntary Principles on Security and Human Rights," www.voluntaryprinciples.org/wp-content/uploads/2019/12/TheVoluntaryPrinciples.pdf.

services to English Premier League teams.³⁷⁹ While Empower did not learn the name of the company currently providing the training, NSA Global, a company headquartered in South Africa, reports on its website that it was contracted by a number of FIFA's commercial partners during the 2010 FWC in South Africa and the 2014 FWC in Brazil, and that it provides consultancy services to the State of Qatar in preparation for a FIFA inspection.³⁸⁰

2. Companies that supply equipment to FIFA security officers, local authorities, and private security firms: These include suppliers of uniforms, cameras, weapons, communication devices, medical supplies, security equipment, etc.
3. Companies that provide security systems: These include surveillance providers. For example, Intelligent Security Systems (ISS) is a developer of security surveillance and control systems that was contracted for the 2016 Rio Olympics as well as supplied the video surveillance systems for five (of the 12) stadiums for the Russia World Cup.³⁸¹ ISS is headquartered in New Jersey and has an office in Mexico. AxxonSoft is another company that provided security and infrastructure services during the Russia World Cup.³⁸² It is a global company headquartered in California and has an office in Mexico.
4. Companies that supply security systems providers: These include, for example, camera manufacturers and server providers.

Main Risk Factors

World Cups raise serious security issues because of the popularity and visibility of the event, combined with the sheer number of people that attend. Large parts of Mexico are plagued by widespread violence related to the preexisting sociopolitical situation (unrelated to the World Cup). While there is a higher risk of crime in general surrounding large sporting events, in Mexico violence related to the activities of powerful drugs cartels is of particular concern.

As well as physical security, these kinds of events also present prime targets for cybercriminals looking to maximize monetization schemes. Some of the most notable examples of sports-related cybercrime attacks from recent history involve the Olympics and the World Cup.³⁸³

³⁷⁹ "SC organises major sporting events training for private security firms," *Qatar 2022 News*, November 13, 2019, www.qatar2022.qa/en/news/sc-organises-training-for-private-security-firms.

³⁸⁰ "Major Sporting and Event Security," NSA Global, accessed July 21, 2020, www.nsa-global.com/services/major-event-security.

³⁸¹ Maggie McFadden Shein, "Security as Playmaker at the World Cup," *SDM*, November 1, 2018, www.sdmmag.com/articles/95822-security-as-playmaker-at-the-world-cup.

³⁸² "AxxonSoft Praised for Security and Infrastructure Solutions During the FIFA World Cup in Russia," Security Informed, www.securityinformed.com/news/axxonsoft-praised-security-infrastructure-solutions-fifa-world-cup-co-6163-ga.1537795703.html?utm_source=SSc%20International%20Edition&utm_medium=Redirect&utm_campaign=International%20Redirect%20PopUp.

³⁸³ "Sporting Event Threats: Lessons from the 2018 FIFA World Cup," Trend Micro, November 7, 2018, www.trendmicro.com/vinfo/us/security/news/cybercrime-and-digital-threats/sporting-event-threats-lessons-from-the-2018-fifa-world-cup.

Security is also a high-risk sector in terms of possible human rights abuses, which include:

- **Physical security related to the event:** Challenges typically faced by host entities and governments in ensuring the personal safety and security of players, officials, fans, and local communities around the event range from managing occasional rowdy or aggressive behavior from fans, to crowd control inside and outside of stadiums, large public protests, and violence related to local sociopolitical circumstances. In 2018, Lobo, S.A. de C.V. employees beat fans at the Estadio Azteca.³⁸⁴ In 2019, the Zapopan police and private security beat fans at the Estadio Akron in Guadalajara.³⁸⁵
- **Physical security unrelated to the event:** Mexico has high levels of violence in general: rates of murders, kidnappings, extortion, and sexual violence are high.³⁸⁶ Although tourists are not necessarily prime targets, visitors to and residents of host cities are vulnerable. Women are particularly vulnerable to sexual violence.
- **Privacy and data protection:** Some sports stadiums around the world use biometrics to authenticate a person's identity through unique personal characteristics. There are risks related to the use of biometrics, which can be hacked and the data stolen.
- **Cyber security:** Fans and others may be vulnerable to cyber attacks by means of spam and phishing, using football or World Cup-related hooks. Also, the Mexican government uses a "fake antenna," which mimics cell phone towers, to force cell phones in the area to transmit "pings" back to the antenna, enabling law enforcement to track phones and pinpoint their locations. The technology could be used to secretly monitor fans and intercept their communications.³⁸⁷
- **Unlawful or arbitrary detention, and torture and maltreatment by authorities:** Untrained police officers and widespread impunity encourage arbitrary detentions and lead to torture, executions, and forced disappearances. It has also been reported that the police in Mexico often plant evidence to prove that they are doing something to tackle crime or punish individuals.³⁸⁸
- **Abuse by private security firms, including excessive use of force:** Private security providers at and around the event will have varying degrees of law enforcement powers as well as access to weapons, so there is a need to ensure that these powers

³⁸⁴ "Video. Staff de seguridad del Estadio Azteca propina golpiza a seguidores del América," *El Universal*, May 14, 2018, www.eluniversal.com.mx/universal-deportes/futbol/video-staff-de-seguridad-del-estadio-azteca-propina-golpiza-seguidores-del.

³⁸⁵ "Aficionado revela detalles de la brutal golpiza que le dio seguridad del Estadio de Chivas," *El Universal*, March 5, 2019, www.eluniversal.com.mx/universal-deportes/futbol/aficionado-revela-detalles-de-la-brutal-golpiza-que-le-dio-seguridad-del.

³⁸⁶ Mary Beth Sheridan, "Mexico's homicide count in 2019 among its highest," *The Washington Post*, January 21, 2020, www.washingtonpost.com/world/the_americas/homicides-in-mexico-hit-record-highs-in-2019/2020/01/21/a9c5276a-3c5e-11ea-afe2-090eb37b60b1_story.html; and Alexis Ortíz and Karla Rodríguez, "Sexual Violence Infests Mexico," *El Universal*, August 10, 2019, www.eluniversal.com.mx/english/sexual-violence-infests-mexico.

³⁸⁷ Ricardo Balderas, "Fake Antenna, el espionaje de celulares que pasó de EPN a AMLO," *PODER*, May 30, 2020, www.rinde-cuentas.org/reportajes/2020/05/30/fake-antenna-el-espionaje-a-celulares-que-paso-de-epn-a-amlo.

³⁸⁸ "Mexico: Arbitrary detentions taint 'new' justice system," Amnesty International, July 13, 2017, www.amnesty.org/en/latest/news/2017/07/mexico-las-detenciones-arbitrarias-empanan-el-nuevo-sistema-de-justicia.

are exercised in a way that does not infringe upon human rights. As mentioned, many private security providers in Mexico are unregulated, contributing to corruption, human rights abuses, and excessive use of force. Even registered companies have little incentive to follow rules because the government rarely punishes those that commit abuses or lose track of firearms, which can end up in the hands of criminals.³⁸⁹

- **Freedom of expression and assembly:** There is potential for a clash between fans' freedom of expression and assembly and their personal safety and security.³⁹⁰ In Mexico, restrictions can be put in place with regards to the freedom to protest on the basis of security risks, whether perceived or real. Local law enforcement discretion has been used in the past in ways that unduly restrict freedom of expression and assembly.
- **Freedom of movement:** International football tournaments rely on the free flow of people across borders, whether players and technical members of the team, match officials, members of delegations of national associations, journalists, politicians and government officials, or fans. However, security risks, including violence between groups of fans, often lead governments to grant airport and immigration authorities significant powers to profile and detain individuals and to refuse entry where a significant security risk is perceived. There is a risk that individual fans or others attending the competition may be selected for additional scrutiny or even refused entry based on information that may not be accurate or could be discriminatorily applied.
- **Freedom of association:** There is a lack of independent, democratic unions in the security sector so it will be difficult to find allies to protect workers.³⁹¹ Pedro Haces Barba, for example, is a corrupt union leader and MORENA senator, who has been accused of extortion as leader of private security workers, forcing companies to affiliate their workers with his union and pay him 4% of their union dues.³⁹²

³⁸⁹ *Ibid.*

³⁹⁰ "Stadium Safety & Security Regulations," FIFA, www.img.fifa.com/image/upload/kr05dqyhwr1uhqy2lh6r.pdf, Provision 5.

³⁹¹ Interview with a staffer of a human rights organization in Mexico City, September 1, 2020.

³⁹² "El pasado oscuro de Pedro Haces, líder sindical de la CATEM," La Silla Rota, February 19, 2020, www.lasillarota.com/nacion/el-pasado-oscuro-de-pedro-haces-el-lider-sindical-de-la-catem-catem-amlo-lider-sindical/363110.

5. Civil Society Strategies and Ally Mapping

The 2026 FWC represents an unprecedented opportunity for regional and even cross-border labor and human rights organizing and collaboration. The first step towards building a regional movement centered around human and labor rights is defining and working around a common objective. Through conversations with key CSOs working in Mexico and the U.S., Empower identified interest and capacities in advancing three main complementary objectives:

- Strengthening worker rights in key sectors in Mexico and the U.S. as well as those of migrant workers.
- Building an inclusive civil society movement centered around structural issues in host cities.
- Improving the human rights and sustainability impact of MSEs.

To pursue these objectives, CSOs can employ a variety of strategies. These can range from top-level advocacy and outreach with key event organizers to implement higher standards, to local grassroots organizing and capacity building. To generate long-lasting improvements for workers across strategic sectors, CSOs could focus on strengthening national human rights and labor laws and mechanisms, or generate traction through exploiting cross-border or soft-law mechanisms.

All strategies, however, require significant efforts to build capacities among workers and civil society organizations at the grassroots level. More importantly, efforts should be coordinated across the region to involve a diversity of actors, including human rights organizations, labor unions, grassroots organizations, local communities, experts, labor lawyers, and investigative journalists. The following sections will explore advocacy opportunities for improving worker rights in key sectors and for building a civil society movement centered around structural issues in host cities.

5.1. Worker Rights in the 2026 FWC

The greatest risks faced by workers in Mexico and migrant workers in the U.S. are forced labor and human trafficking, child labor, threats to worker organizing and collective bargaining, health and safety concerns, recruitment fees, and wage theft. Nevertheless, the level of risk is not the same across the region. In the context of the 2026 FWC, CSOs have an opportunity to push for the implementation of exemplary human and labor rights provisions in all tournament host cities and to insist that Mexican cities are held to the same (higher) standards as those adopted by progressive cities in the U.S., such as Los Angeles and Seattle. (See supply chains in [Section 4](#))

The following table lists activities that could support three different areas of action in favor of worker rights in Mexico and migrant workers in the U.S. For a sector-specific analysis, see Table 4.

Table 11 – Advocacy Opportunities for Labor Rights

Area of action	Advocacy Opportunities
<p>Capacity building and worker organizing</p>	<ul style="list-style-type: none"> • Organizing at production and worker sites in key sectors, and at communities of origin for migrant workers • Capacity building with workers, making sure they are aware of their human and labor rights and the new provisions in the Mexican labor reform • Build legitimacy of representation with workers in key industries by organizing at workplaces in key sectors • Shift the focus from immediate employers to supply chains and brands, particularly those with close ties to FIFA and football associations • Develop a critical narrative based on empirical evidence. Link liability of failure to implement effective due diligence to liability of impact / violations of human/labor rights • Linking civil society efforts around human rights and sustainability issues, including transparency, environmental issues, living wages, housing rights, informal workers. This should include organizations working on health issues and with experience engaging FMF.
<p>Engagement with brands</p>	<ul style="list-style-type: none"> • Leverage brand action for freedom of association and living wages for indirect workers and ensure supply chain transparency and the adoption of responsible procurement policies • Make commitments for a minimum supply chain disclosure, including annual reports on impact and mitigation measures • Make commitments for living wages floors across brand operations in all three countries, particularly in hospitality • Provide sector and region-specific guidelines for companies to comply with greater human and labor rights standards

Area of action	Advocacy Opportunities
Engagement with host governments	<ul style="list-style-type: none"> • Ensure the same standards for workers in Mexican host cities as in progressive U.S. host cities, including favorable prevailing wage provisions, strong project-labor agreements, employer neutrality in union organizing efforts, sanctuary cities for migrant workers, etc. • Raise minimum wage laws in the three Mexican cities to reduce pay gaps • Introduce legislation on non-financial impact reporting for key sectors, related to human rights and supply chain due diligence • Ensure the adoption of local policies for sourcing products that are free from forced and child labor in the U.S., Canada, and Mexico. These should be accompanied by rigorous supply chain due diligence, limits to subcontracting workers, and provisions for independent inspections at worksites to ensure corporate accountability.
Strengthening labor enforcement mechanisms in Mexico	<ul style="list-style-type: none"> • Independent monitoring of the legitimization of existing collective bargaining agreements (CBAs) being undertaken as part of the Mexican labor reform. If these have already taken place, then CSOs can engage with employees to independently evaluate and expose the process. • Publish all union registrations and CBAs of suppliers and contractors related to the event • Strengthen Mexico's independent entity (Federal Center for Labor Conciliation and Registry, or CFCRL) to verify the validity of CBAs and independent courts for labor disputes • Improve regulation of labor recruiters in both Mexico and the U.S., with effective enforcement mechanisms such as independent monitoring of recruitment agencies and sanctions
Strengthening of cross-border or extraterritorial mechanisms	<ul style="list-style-type: none"> • Test the USMCA Chapter 31 rapid response mechanism (RRM) in cases where workers are denied their right to authenticate existing CBAs. The definition of priority sectors should be expanded to include garment and agriculture. • Submissions under the Labor Provisions of Free Trade Agreements, particularly in cases where there is evidence of forced or child labor

Capacity Building and Worker Organizing

To be able to pressure FIFA, its business partners, and host cities into complying with higher worker standards, labor organizations should be present in every worksite and workers must be included and represented in multi-stakeholder spaces. At the same time, transnational worker organizing should be encouraged in sectors that involve the three organizing countries. Innovative organizing strategies such as cross-border collective bargaining and worker-driven social responsibility (WSR) have been key to counter subcontracting and outsourcing in global corporate supply chains.³⁹³ In this regard, the transnational nature of the tournament could be leveraged to make common demands in companies with operations in all three countries, such as international hotel chains. (See 2026 FWC Timeline in [Section 2.3](#))

One of the main issues regarding labor enforcement in Mexico and the U.S. is misinformation. Workers are often unaware of their rights and existing provisions and legal mechanisms that they could use to defend them. Historically in Mexico, worker mobilization has been captured and politicized. More importantly, the existing legal frameworks have undermined the collective power of workers in favor of business and financial interests. Within these structures, labor unions act as power brokers in key industries in Mexico, including those of construction, garment, food and beverage, waste management, and public transportation.

The challenges faced by rank-and-file workers seeking to form democratic, representative unions independent of the official labor structure are daunting. They face active hostility from local politicians, company officials, and union leaders, and vocal opposition from local and national media outlets that often favor state, corporate, and official union interests. While there have been changes in the Mexican labor law system, worker rights activists that participate in mobilization and organizing activities are frequently harassed, placed on do-not-hire lists, and/or criminalized. Based on interviews conducted by Empower and publicly available information, true independent unions are scarce. More research is needed to understand the full landscape of union representation in key sectors for the 2026 FWC.

Criminalization of Worker Rights Advocate in Tamaulipas

Susana Prieto, labor rights activist and lawyer who advocates on behalf of *maquiladora* workers in Mexico's border city of Matamoros, Tamaulipas, was arrested in June 2020, accused of inciting riots, threats, and coercion of public officials. Prieto represented workers in largely U.S.-owned factories in their fight for higher salaries, better working conditions, and binding collective contracts. She also fought against corrupt union bosses who put company interests above

³⁹³ Worker-Driven Social Responsibility Network, "What Is Worker-Driven Social Responsibility (WSR)?," Business and Human Rights Resource Centre, accessed November 5, 2020, www.media.business-humanrights.org/media/documents/files/documents/What_is_WSR_0.pdf.

their members and tried to organize independent unions.³⁹⁴ Her arrest was widely criticized as being arbitrary, politically motivated, and designed to put an end to her activism. U.S. union leaders and Democrats called for her release ahead of the start of the updated North American free trade agreement (USMCA), under which Mexico promises to uphold worker rights.³⁹⁵ Prieto was released on July 1, 2020 the day the USMCA came into force, but only after paying 66,000 MXN for “damages” and agreeing not to travel abroad for 30 months. She is still facing charges.

Recruitment Agencies and Networks

Regarding migrant workers in both Mexico and the U.S., who make up an important vulnerable group, a predominant issue is the regulation of recruiters and recruiting networks. It is worth noting that a significant achievement in the run-up to the 2022 FWC was the reimbursement of around 14.4 million USD to thousands of workers who paid recruitment fees to move to Qatar.³⁹⁶

Hundreds of thousands of migrant workers travel to the U.S. on H2 visas every year. In 2019, the U.S. government granted Mexican nationals over 191,000 H-2A visas for farm work and over 73,000 H-2B visas for work in landscaping, construction, and hospitality.³⁹⁷ Many Mexicans who travel to the U.S. for work with H2 visas are recruited through agencies based in Mexico. These agencies are regulated by the Mexican Labor and Social Protection Secretariat (STPS), which maintains a publicly available list of those registered.³⁹⁸ However, these agencies tend to subcontract with other agencies or individual recruiters and the lack of transparency in the process often leads to abuse. For instance,

³⁹⁴ “Protestan en varios estados en apoyo a la abogada Prieto,” *La Jornada*, June 14, 2020, www.jornada.com.mx/ultimas/estados/2020/06/14/protestan-en-varios-estados-en-apoyo-a-la-abogada-prieto-2173.html; Daina Beth Soloman, “U.S. unions urge Mexico to defend workers’ rights after labor advocate’s arrest,” Reuters, June 17, 2020, www.reuters.com/article/us-usa-trade-mexico-labor-idUSKBN23N3JW; David Agren, “Top Mexican labour lawyer arrested after activism in US-owned factories,” *The Guardian*, June 10, 2020, www.theguardian.com/world/2020/jun/10/top-mexican-labour-lawyer-arrested-us-owned-factories.

³⁹⁵ “Workers’ Rights Advocate Must be Immediately Released,” AFL-CIO, June 10, 2020, www.aflcio.org/press/releases/workers-rights-advocate-must-be-immediately-released; “Pascrell Leads 59 Colleagues Demanding Release of Imprisoned Mexican Labor Laywer,” Bill Pascrell, June 30, 2020, www.pascrell.house.gov/news/documentsingle.aspx?DocumentID=4361.

³⁹⁶ “QR 52.5mn recruitment fees to be paid back to Qatar 2022 workers,” *Gulf Times*, October 22, 2018, www.gulf-times.com/story/610217/QR52-5mn-recruitment-fees-to-be-paid-back-to-Qatar.

³⁹⁷ See www.ipsnews.net/2020/04/coronavirus-new-threat-mexican-migrant-workers-u-s.

³⁹⁸ “Registro central de agencias de colocación de trabajadores con y sin fines de lucro con constancia de autorización de funcionamiento y registro otorgada a agosto de 2020,” STPS, 2020, www.gob.mx/cms/uploads/attachment/file/575329/REGISTRO_CENTRAL_AGENCIAS_COLOCACI_N_AGOSTO_2020.pdf. See also El Centro de los Derechos del Migrante, Resources, contratados.org/es/content/recursos, accessed September 24, 2020.

in the hotel industry there are different levels of subcontracting since hotels use staffing agencies and most recruiters are not registered with the STPS.³⁹⁹ One of the most reported abuses of temporary workers in the recruitment process is fraud and the charging of fees.⁴⁰⁰

At the same time, many workers in key sectors in the U.S., such as construction and agriculture, are undocumented. In these sectors, immigrant workers are often “stuck in the lowest paid and most dangerous jobs.”⁴⁰¹ According to an AFL-CIO report, Latino immigrant workers in construction face higher risks, with a fatality rate of 4 per 100,000 workers, 18% higher than the national average.⁴⁰²

There are several organizations with significant experience working with migrant workers in both Mexico and the U.S. The Centro de los Derechos del Migrante, Inc. (CDM), an NGO based in Baltimore with presence in Mexico, set up a collaborative online platform called *Contratados.org* which provides information on recruitment agencies and the rights of workers with J-1, H-2A, and H-2B visas.

A second organization is the Mexico City-based NGO ProDESC. It launched the RADAR program, which provides information to temporary H-2A and H-2B visa workers in the U.S.⁴⁰³ ProDESC also provides support in documenting human and labor rights abuses, investigates the supply chains linked to the abuses, and notifies key actors (recruiters, employers, and companies at the top of supply chains) about recruitment or employment-related abuses. One of the main challenges is aligning incentives so that employers are willing to improve their recruitment practices. ProDESC also accompanies the Coalition of Temporary Workers in Sinaloa (*Coalición de Trabajadoras y Trabajadores Temporales Sinaloenses*, “Coalition”), a group of workers that travels under temporary visas to the U.S., and supports them in the defense of their labor rights at their communities of origin.⁴⁰⁴ In 2014, for example, with the support of ProDESC, the Coalition initiated a civil procedure that led to an administrative sanction of a recruitment agency in Mexico that had charged workers 200 USD for a temporary visa.⁴⁰⁵

A third organization with extensive work with migrant workers is the National Day Laborer Organizing Network (NDLON), an organization of day laborers based in Los Angeles. NDLON works with migrants and low-wage workers in over 60 work centers where workers can get training, information, and safety accompaniment. NDLON is extending its presence into Central America, after opening their first work center in El Salvador this year.

³⁹⁹ “Dos sindicatos detrás del transporte público,” *El Informador*, March 22, 2014, www.informador.mx/Jalisco/Dos-sindicatos-detras-del-transporte-publico-20140322-0121.html.

⁴⁰⁰ “Programa RADAR,” ProDESC, accessed October 3, 2020, prodesc.org.mx/programa-radar/.

⁴⁰¹ AFL-CIO, “Death Toll on the Job,” 2017, www.aflcio.org/sites/default/files/2017-04/2017Death-on-the-Job.pdf.

⁴⁰² *Ibid.*

⁴⁰³ “Programa RADAR.”

⁴⁰⁴ “Coalición de Trabajadoras y Trabajadores Migrantes Temporales Sinaloenses,” ProDESC, accessed October 3, 2020, prodesc.org.mx/coalicion-de-trabajadoras-y-trabajadores-migrantes-temporales-sinaloenses/.

⁴⁰⁵ Fernando Camacho Servín, “Trabajadores temporales en EU presentan denuncia colectiva,” *La Jornada*, April 2, 2014, www.jornada.com.mx/2014/04/02/politica/020n1pol.

Strengthening Labor Enforcement Mechanisms in Mexico

The main concern around organizing workers in Mexico continues to be whether there are local capacities and/or allies already working in a strategic sector. Despite recent advancements in legal protections of worker rights in Mexico (through the labor reform and USMCA provisions, see below), the persistence of protection contracts continues to be a significant challenge for independent, democratic unionization.

Mexico's unions have long been criticized for being corrupt and pro-employer. Most union leaders have been awarded their position through nepotism and are not chosen by the workers they purport to represent. At the end of last year, only 8% of unions in Mexico elected their leaders by means of a free and secret ballot.⁴⁰⁶

CBA's and Unions in Key 2026 FWC Sectors in Mexico

Empower conducted targeted searches in the central database of collective bargaining agreements maintained by the Mexican Labor and Social Protection Secretariat (STPS) to identify those signed by the key actors identified throughout this report, although very little information was found. This is partly due to the fact that, for unions under state jurisdiction, the Local Conciliation and Arbitration Boards hold registration authority. Further transparency requests directed at local labor boards would be required to identify these agreements. Alternatively, the recently-created Federal Center for Labor Conciliation and Registry Conciliation is required to make these public by May 2022.

Union type in Mexico can be categorized as Official, which refers to unions with strong ties to a political patron such as the Institutional Revolutionary Party (*Partido Revolucionario Institucional*, or PRI), which arguably are the most emblematic type in the public eye; Protection, meaning sweetheart unions that protect the employer from its workers, which arguably are the predominant type in Mexico; or Independent, which are few and far between. Both official and protection unions facilitate protection contracts, in which companies and unions negotiate agreements without worker participation. CBAs are usually agreed upon for an individual worksite rather than for a whole company or industry. In many industries, companies located in the same region or industrial park often sign with the same unions, sometimes years before a workplace even begins operating. Organic rank-and-file activity is commonplace and protests against layoffs, mistreatment, sexual harassment, and low wages take place most often outside the traditional union structure or without sanction from

⁴⁰⁶ Adrian Javier Flores Nieves, "La nueva reforma laboral contempla libertad sindical y democracia para la elección de líderes," *LJA*, 18 octubre 2019, www.lja.mx/2019/10/la-nueva-reforma-laboral-contempla-libertad-sindical-y-democracia-para-la-eleccion-de-lideres.

union leaders. These demands are sometimes met with violence by the State or thugs hired by the company, union, or local politicians.

- Confederation of Mexico Workers (*Confederación de Trabajadores de México*, or **CTM**) is the largest confederation of workers with approximately 30,000 affiliated organizations across virtually all industries, including construction, manufacturing, food, private security, and tourism.⁴⁰⁷ The CTM is considered an Official union confederation. In December 2018, the International Trade Union Confederation (ITUC) expelled the CTM and CROC (see below) from its ranks for acting against workers' interests.
- The Revolutionary Confederation of Workers and Peasants (*Confederación Revolucionaria de Trabajadores y Campesinos*, or **CROC**) has affiliate organizations in many industries, including textiles, tourism, food, transport, construction. The CROC is also considered an Official union confederation. In 2019, Coca-Cola FEMSA workers in Mexico City rebelled against the CROC-affiliated company union following the company's decision to reduce workers' benefits.⁴⁰⁸ Transportation workers in Guadalajara are represented by unions affiliated with the CTM (through the Sindicato de la Alianza de Camioneros and the Sindicato de Conductores del Transporte Público del Estado de Jalisco) and the CROC (through Palmac-CROC and Servicios y Transportes). Individuals associated with these unions "own" certain routes.⁴⁰⁹ The CTM represents taxi drivers there as well.
- The Mexican Regional Confederation of Workers (Confederación Regional Obrera Mexicana, or **CROM**) is one of the oldest Official confederations in Mexico, with affiliates in manufacturing and hospitality, maritime, and food and beverage, among others.
- The National Federation of Independent Unions (Federación Nacional de Sindicatos Independientes, or **FNSI**), based in the northern city of Monterrey, is an Official union federation known to be a front for *sindicalismo blanco*, or "white" unions, which essentially operate as company unions.

⁴⁰⁷ "Cancún: hoteleros negocian salida para 60 mil trabajadores," *Reportur*, March 21, 2020, www.reportur.com/mexico/2020/03/21/cancun-hoteleros-negocian-salida-60-mil-trabajadores.

⁴⁰⁸ Andrea Lobo, "Trabajadores en huelga de la Coca-Cola se rebelan contra sindicato en la Ciudad de México," *World Socialist Website*, June 28, 2019, www.wsws.org/es/articles/2019/06/28/coca-j28.html.

⁴⁰⁹ "Dos sindicatos detrás del transporte público," *El Informador*, March 22, 2014, www.informador.mx/Jalisco/Dos-sindicatos-detras-del-transporte-publico-20140322-0121.html.

- The Confederation of Workers and Peasants (Confederación de Trabajadores y Campesinos, or **CTC**), associated with the (Federación de Trabajadores del Sindicalismo Nuevo, or FTSN), is an Official union confederation based in Zumpango, Estado de México with close ties to the PRI. The CTC has a strong presence in garment and autoparts manufacturing.
- Mexico City Government employees, including garbage collectors are represented by the Union for the Federal District Government's Workers (*Sindicato Único de Trabajadores del Gobierno del Distrito Federal*, or **SUTGDF**), alternatively known as an Official or Independent union depending upon the union leader and CDMX government in charge at any given time.
- Free Confederation of Mexican Workers (*Confederación Libertad de Trabajadores de Mexico*, or "**Sindicatos Libertad**") has affiliates in transportation, construction, chemicals, and food. In August 2020, the union leader Hugo Bello was arrested on suspicion of misappropriation of funds related to the new Mexico City airport, as well as money laundering and extortion.⁴¹⁰

The U.S. signing of the USMCA was made conditional on labor reform in Mexico, specifically in order to strengthen democracy and accountability in trade unions and improve labor justice.⁴¹¹ The consequent 2019 labor reform consisted of changes to the Federal Labor Law (*Ley Federal de Trabajo*). There are three main areas of reform regarding trade unions:

- **A new labor justice system:** For years the federal government, employers, and corrupt unions used the Conciliation and Arbitration Boards to decide which unions should be included in the trade union registry. As a result, political and economic interests were put ahead of those of workers.⁴¹² The boards are to be dissolved and their functions transferred to local judicial entities in May 2022.
- **Increased union democracy:** The reform requires a verification of worker support prior to the registration of collective bargaining agreements, including by casting secret, personal, and free union ballots.

⁴¹⁰ María Del Pilar Martínez, "Factible, quitar registro a sindicato Libertad," *El Economista*, August 18, 2020, www.economista.com.mx/empresas/Factible-quitar-registro-a-sindicato-Libertad-20200818-0006.html; Diana Lasitiri, "Hugo Bello detenido ayer es investigado por desvío millonario en NAIM," *El Universal*, August 18, 2020, www.eluniversal.com.mx/nacion/hugo-bello-detenido-ayer-es-investigado-por-desvio-millonario-en-naim.

⁴¹¹ See www.excelsior.com.mx/opinion/raul-contreras-bustamante/2016/10/15/1122542 and www.crsreports.congress.gov/product/pdf/IF/IF11308.

⁴¹² "Mexico's labor reforms set to bring greater union democracy," IndustriALL, May 2, 2019, www.industrialall-union.org/mexico-labour-reforms-set-to-bring-greater-union-democracy.

- **Federal Center for Labor Conciliation and Registry (CFCRL):** This is a new body that will, as of May 2021, register unions and collective bargaining agreements. Disputes between workers and employers will first be heard by this body and can then be passed onto tribunals in the event they are not resolved at the first instance.

Unsurprisingly, the reform is unpopular among Mexico's corrupt union leaders, as it threatens their power. While the reform does incorporate best international standards on worker rights and freedom of association, it remains to be seen how well it will be implemented. One of the key innovations of the Mexican labor reform was requiring all active CBAs to undergo a process of legitimization by 2022. However, the protocol for this is vague and has allowed for manipulation. A recent CBA legitimization process in the state of Veracruz is a clear example of a simulated consultation process, in which workers were misinformed or pressured to vote in favor of the incumbent union.⁴¹³

All the organizations and experts interviewed for this report viewed the lack of independent, democratic unions in Mexico as the most important challenge for proper implementation of the labor reform.⁴¹⁴ In 2019, MORENA party senator Napoleón Gómez Urrutia presented a new labor union called the International Confederation of Workers (*Confederación Internacional de Trabajadores*, or CIT) “with the aim of modernizing and internationalizing Mexican labor unions.”⁴¹⁵ It incorporated 150 labor unions and 10 federations at the time of its creation. CSOs interviewed for this report remain unconvinced that the CIT represents an opportunity for truly independent, democratic unionization.

Testing the USMCA's Rapid Response Mechanism

The USMCA attempted to fill the gaps in international standards in relation to Mexico, particularly regarding freedom of association and collective bargaining.⁴¹⁶ In the past, free trade agreement enforcement mechanisms have had limited success in terms of protecting labor rights.⁴¹⁷ The provisions on labor protections in NAFTA, for instance, were considered unenforceable, limited, and largely ineffective. However, there is hope that the new USMCA Chapter 31 rapid response labor mechanism (RRM) (discussed further in Section 6) will be effective as an enforcement tool for specific labor violations. The AFL-CIO is already planning to file a complaint against Mexican factories using the mechanism, with the goal of halting exports from factories found to be in violation of labor rights regulations.⁴¹⁸ The AFL-CIO is working with the U.S. Trade Representative's

⁴¹³ María del Pilar Martínez, “Temen En EU Simulación al Aplicar La Reforma Laboral,” *El Economista*, November 22, 2019, sec. Empresas, www.economista.com.mx/empresas/Temen-en-EU-simulacion-al-aplicar-la-reforma-laboral-20191122-0015.html.

⁴¹⁴ Interview with a staffer of a human rights organization in Mexico City, September 10, 2020.

⁴¹⁵ Rosalía Vergara, “Napoleón Gómez Urrutia crea Confederación Internacional de Trabajadores,” *Proceso*, February 13, 2019, www.proceso.com.mx/nacional/2019/2/13/napoleon-gomez-urrutia-crea-confederacion-internacional-de-trabajadores-220244.html.

⁴¹⁶ “Independent Report.”

⁴¹⁷ See for example the U.S.-Guatemala CAFTA DR case, explained in “U.S.-Guatemala CAFTA Labor Arbitration Ruling,” International Labor Rights Forum, March 2018, www.laborrights.org/sites/default/files/publications/Wrong%20Turn%20for%20Workers%20Rights%20-%20March%202018.pdf.

office to prepare the complaint, including gathering information about the arrest and detention of labor activist Susana Prieto.⁴¹⁹

It is important to note that the USMCA's panel procedure is limited to certain rights, types of facilities, or industrial sectors.⁴²⁰ The RRM only applies to "Covered Facilities" and "Priority Sectors." The garment and agricultural sectors – both strategic for the 2026 FWC – are not listed as priority sectors. However, the USMCA calls for a review of priority sectors on an annual basis, which is an opportunity for CSOs to push for greater sectoral inclusion.⁴²¹

National enforcement mechanisms often must be exhausted before a complaint can be issued using regional or international mechanisms. There are also numerous soft-law mechanisms and platforms that could be considered for exerting pressure on government authorities and private actors.

5.2. Structural Issues in Host Cities

The decision to host a MSE is the result of a political and global process that involves national governments as well as national and international sports governing bodies. However, these global events are anchored in individual cities, where the local and global meet. The most important risks we identified in relation to the 2026 FWC in the three Mexican host cities are: the securitization⁴²² of the tournament, criminalization of street vendors, the rights of informal workers, human trafficking, social exclusion, environmental impact, and corruption/elite capture.

Grassroots Organizing and Civil Society Participation

There are numerous studies on the negative impact of MSEs in cities, particularly when they are used by governments to implement unpopular policies, or when they are captured by the elite and other private actors. For instance, the scholar Martin Müller considers that MSEs "monopolize public attention, can suspend the normal rule of law, and often rewrite urban and regional development plans."⁴²³ Even when there are no major infrastructure projects planned, MSEs still impact urban policies and can have a negative effect on access to housing through, for instance, gentrification.⁴²⁴

⁴¹⁸ David Lawder, "AFL-CIO chief says union to file labor complaint under USMCA this month," *Reuters*, September 3, 2020, www.uk.reuters.com/article/us-usa-trade-usmca-labor/afl-cio-chief-says-union-to-file-labor-complaint-under-usmca-this-month-idUKKBN25U350.

⁴¹⁹ *Ibid.*

⁴²⁰ "Briefing Paper: Labour Rights Enforcement in the USMCA," Maquila Solidarity Network, July 2020, www.maquilasolidarity.org/sites/default/files/attachment/Labour_Rights_Enforcement_in_the_USMCA_MSN_julio_2020.pdf.

⁴²¹ *Ibid.*

⁴²² Here we refer to the concept generally associated with the Copenhagen School (and scholars Ole Wæver and Barry Buzan) in which issues are socially constructed and framed as existential threats in relation to a referent object, usually national security to justify extraordinary measures. In this sense, MSEs could be securitized, justifying the excessive use of force of police forces or intrusive surveillance practices.

⁴²³ Müller, "The Mega-Event Syndrome."

⁴²⁴ Interview with PhD candidate from the University of California – Los Angeles, September 24, 2020.

The reconfiguration of public space increases the risk of forced evictions among low-income populations. Fernanda Jahn-Verri, architect and urbanist in the Department of Urban Planning at UCLA, pointed out how in Rio de Janeiro the expansion of the airport and public transportation works affected people living in informal settlements during the implementation of the 2014 FWC and the 2016 Olympics. At the same time, the creation of commercial exclusion zones around stadiums during the celebration of the events affects homeless people and street vendors. Street vendors in the 2014 FWC in Brazil complained that there was a 2 kilometer exclusion zone around stadiums that was policed by private security companies.⁴²⁵ These impacts evidence the extent to which the benefits and costs of MSEs are distributed unequally.⁴²⁶

Given that public resources are diverted to stage the event, local communities, grassroots movements, and labor organizations must work towards building a common and inclusive platform around 2026 FWC-related grievances and developing a critical counter-narrative to the official discourse that overemphasizes terms like sustainability, human rights, and legacy⁴²⁷ and exaggerates the economic benefits of hosting an MSE (through increased investment, new infrastructure, economic spillover, tourism, nation/place branding, etc.).⁴²⁸ This platform could give voice to activists and grassroots organizations that are being systematically excluded from policy and urban planning decisions, including tenants, street vendors, informal workers, gig and platform workers, waste volunteers, environmental activists, and scholars, among others.

It is worth noting that, at the local level, Mexico City's Constitution specifically provides for the right to unionize for unpaid or independent workers and merchants as well as producers of goods and crafts. This may be relevant in the context of the 2026 FWC, since there may be craft and souvenir "shops" in the streets and public markets outside stadiums and Fan Zones, or because of the expected increase in tourism.

Through a common platform, CSOs should hold regular meetings with city governments to discuss not only mitigation strategies but also proactive solutions to improve the living conditions of participants. The MSE, therefore, is also an opportunity to bring distinct interest groups together around a common objective. Civil society platforms in each city should ideally liaise and coordinate at national and regional levels. The *Comitês Populares* in Brazil is an interesting example of ways to organically include distinct grievances in the context of the World Cup and, in their case, Olympics.

⁴²⁵ Phil Bloomer and Julia Mello Neiva, "Brazil World Cup: FIFA and business miss an open goal for human rights," *The Guardian*, June 13, 2014, www.theguardian.com/sustainable-business/brazil-world-cup-fifa-business-goal-human-rights.

⁴²⁶ Müller, "The Mega-Event Syndrome."

⁴²⁷ Since the London Olympics in 2012, the concept of legacy has been key to developing a narrative around the positive impact of MSEs in cities. See: Gavin Poynter and Valerie Viehoff, *Mega-event Cities: Urban Legacies of Global Sports Events*, Routledge, 2018.

⁴²⁸ Interview with scholar from New York University, September 8, 2020.

Grassroots Organizing in Brazil

Brazil hosted the 2014 FWC and the 2016 Olympics. Both events were confronted by a robust civil movement that was diverse and began organizing years before the MSEs in order to tackle social issues related to the event, such as the displacement of street vendors, housing, labor, transparency, participation, the environment, access to public goods and services, transportation, and public security. The Popular Committees of the World Cup (*Comitês Populares da Copa*) organized in each of the 12 World Cup host cities. In November 2010, the *Comitês Populares* formed an umbrella organization called the National Articulation of Popular Committees of the World Cup (*Articulação Nacional dos Comitês Populares da Copa*, or ANCoP),⁴²⁹ which linked networks of academic institutions, progressive political parties, and preexisting social movements, and received support from NGOs such as Global Witness, Amnesty International, StreetNet, and Heinrich Böll Stiftung.⁴³⁰

The *Comitês Populares* contributed to the creation of a counter-narrative regarding the social and environmental impacts of the event through empirical evidence. The Heinrich Böll's report on the tournament stressed that "the Committees have been able to build a more realistic view of what is actually happening: forced removals, privatization, increase of the public debt, suspension of rights and other violations, which contradict the government's discourse and publicity, highlighting potential benefits."⁴³¹

At the same time, *Comitês Populares* were a diverse political platform with multiple actors. For example, street vendors were active in the Sao Paulo Popular Committee. The process to push for their participation combined self-organization, horizontal participation, and judicial action, explains the researcher Luciana Itikawa.⁴³² They established a working group with the municipal government about street vendor participation and the privatization of public spaces during the games. Negotiations with the municipal government lasted nine months and, despite disappointing results for CSOs, it helped to empower street vendors. The organization continues to exist to this day and is eager to share their experience with Mexican counterparts.

⁴²⁹ Christopher Gaffney, "An Anatomy of Resistance: The Popular Committees of the FIFA World Cup in Brazil," *Sport, Protest and Globalisation: Stopping Play*, ed. Jon Dart and Stephen Wagg, Global Culture and Sport Series (London: Palgrave Macmillan UK, 2016), 335–63, www.doi.org/10.1057/978-1-137-46492-7_15.

⁴³⁰ *Ibid*, 340.

⁴³¹ Marilene de Paula and Dawid Bartelt (organizers), "World Cup for whom and for what? A look upon the legacy of the World Cups in Brazil, South Africa and Germany," Rio de Janeiro: Fundação Heinrich Böll, 2014. p. 58.

Greater inclusion in urban (re)development planning

Even when no additional infrastructure is required, the magnitude of events like the World Cup still reconfigure public spaces and urban policies. Actors that participate in the staging of the tournament — involved in stadium renovations, athlete accommodation, media centers, and airport extensions — are given the power to influence and negotiate policies that include or exclude certain groups and spaces.⁴³³ Furthermore, given the contractual commitments made by city governments to deliver by a certain deadline, as the event nears extraordinary measures are justified, including overspending, the deployment of security contractors, and even the displacement of local residents — “undermining long-term urban development priorities and public preferences.”⁴³⁴

London 2012 Summer Olympics: “Developing” one of the Poorest Areas of East London

With the Olympic Park located in Stratford, one of the poorest parts of East London, the London Organizing Committee placed a strong focus on the potential for the games to boost development in the area. The Sustainability Plan stated that, “London’s bid was based on an ambitious vision – to use the Olympic and Paralympic Games to make a real change in London, across the UK and globally.”⁴³⁵ Stratford has certainly been transformed by the games. The once-industrial land characterized by derelict buildings, rivers, and canals is now green and landscaped and frequented by tourists. The Olympic Stadium is home to the West Ham football club, many businesses have their offices in the Olympic Park, and the athletes’ village has been converted into permanent housing.

However, some question whether the games were a force for good in the area. Many local residents and businesses complained that they had been forcibly evicted to make way for the Olympic Park. Clays Lane, for example, the largest residential cooperative in Europe, was demolished and the residents rehoused, many outside East London or to places with much higher rents. In the five years after the Games, housing prices in the area were estimated to have risen by 64%. On the one hand, this is a sign of “successful” development, while, on the other, gentrification has forced working class people out. For all the regeneration, the borough still has one of the highest rates of homelessness in London.

⁴³² Interview with two Brazilian scholars who participated in the *Comitês Populares*, September 25, 2020.

⁴³³ Interview with a scholar from New York University, September 8, 2020.

⁴³⁴ Müller, “The Mega-Event Syndrome.”

⁴³⁵ London Organizing Committee, “Toward One Planet: London 2012 Sustainability Plan,” DEFRA, November 2007, www.data.parliament.uk/DepositedPapers/Files/DEP2007-0171/DEP2007-0171.pdf.

Accountability of the use of public funds

Even though the United 2026 Bid book promises greater participation of the private sector (and a low reliance on public funding), previous MSEs have shown that risks and costs are usually borne by cities. For instance, the organizers of the 2014 FWC in Brazil and the 2014 Winter Olympics in Russia expected private investment to make up most of the funding for the event, but in both cases the public was forced to pay more than 95% of the costs.⁴³⁶ The local governments of London and Vancouver B.C. had to bail out private investors for the Olympic villages after the financial crisis.⁴³⁷

Finally, the economic recession brought on by COVID-19 will likely exacerbate inequalities within cities, increase public grievances, and decrease public support of the World Cup. One clear example is the No Olympics movement in Los Angeles, which, among other groups, opposes the 2028 Olympics in the city due to its acceleration of displacement, militarization, and erosion of democracy.⁴³⁸ In the 2026 FWC, the role of municipal governments will be central. Host cities will have to sign agreements on transportation, IT infrastructure, security, and protection of commercial rights. According to Müller, “sports economists are in rare unanimity that providing subsidies for mega-events is, at best, a suboptimal use of public money and incurs significant opportunity costs.”⁴³⁹ MSEs nevertheless shine a light on wider social issues in each host city, which provides an opportunity for CSOs to demand attention from public authorities and bring about long-lasting change.

Paris 2024 Summer Olympics and Youth Employment Plans

In 2019, Paris Olympics 2024 unveiled an ambitious employment plan seeking to create new tender opportunities and up to 150,000 new jobs through the Olympic Games.⁴⁴⁰ The plan will be implemented by different public actors: the Ministry of Labor, the Greater Paris regional government, the City of Paris, the Seine-Saint-Denis department government, and municipal authorities of Greater Paris. The plan involves different programs. The “Fabrique des Jeux” program, launched by the City of Paris and the French public employment service, will create specific initiatives to promote careers in the sectors involved in the Games. The program will support residents of Seine-Saint-Denis, a suburb with a 43% of its population under 30 and high unemployment rates (25% of people under 26 are unemployed), to get jobs related to the Olympics. According to the Paris 2024 website, “Occupational integration experts operating in Seine-Saint-Denis will

⁴³⁶ *Ibid.*

⁴³⁷ *Ibid.*

⁴³⁸ “Home,” NOlympics LA, accessed November 3, 2020, nolympicsla.com.

⁴³⁹ Müller, “The Mega-Event Syndrome.”

⁴⁴⁰ See www.paris2024.org/en/driving-employment-through-the-games.

strive to make the public – especially people receiving income support – aware of recruitment for the Games, by heading professional networks, holding career information days, and organizing other activities. Guidance will be given to companies to put them in the best position to make the most of the business opportunities created by the Games. Training sessions will be available online. Between now and 2024, the Seine-Saint-Denis local government will double the number of contracts signed with the sheltered employment sector and set a target of hiring 10% of people in occupational integration [people with disabilities attending a training to get a job].”

(De)securitizing the World Cup

One of the central human rights issues in Mexico is grave human rights violations and widespread impunity for their perpetration. In the context of the so-called Drug War, the militarization of security, and the excessive use of force against civil society actors (manifested in the high number of cases of torture and forced disappearances on behalf of security forces), security has been a central concern among civil society and human rights organizations throughout the country. One particular worry about the 2026 FWC could be the securitizing discourse around the tournament, which could be used to justify increased surveillance and policing of certain groups (including activists) and even the use of excessive force against protesters or street vendors.

The implementation of MSEs typically requires the creation of certain “exclusion zones” around stadiums that are heavily protected by public and private law enforcement entities, which make sure that the exceptional laws are being followed. Professor Christopher Gaffney explains that governments often employ a securitization logic in MSEs, by using the event to create a moment of national emergency to increase militarization or justify state violence against certain groups.⁴⁴¹ In these events, there are different “rings of militarization” and, the further one is from the stadiums and event venues, the more militarized and repressive are the techniques.⁴⁴²

In the 2026 FWC, the host governments have been requested – at their own cost – to assume full responsibility for safety and security of the World Cup and related events. Given the tri-national nature of the tournament, security reportedly will be guaranteed and coordinated through the signing of a memorandum of understanding that will enable a more efficient process, including intelligence sharing. Human rights organizations must be particularly vigilant around the terms of this regional agreement, which will likely involve the transfer of technology and integration of intelligence platforms. Given militarized policing practices in both Mexico and the U.S., and human rights abuses associated with mass deportations and work raids, CSOs should question the extent to which these intelligence sharing agreements and technologies remain after the 2026 FWC.

⁴⁴¹ Interview with a scholar from New York University, September 8, 2020.

⁴⁴² *Ibid.*

Finally, a major challenge for regional civil society advocacy includes the security risks in Mexico for human rights and environmental defenders as well as for journalists. According to a report published by Peace Brigades International (PBI) in 2019: “Protection measures provided through Mexico’s Mechanism to Protect Human Rights Defenders and Journalists are often insufficient, and six Mechanism beneficiaries have been murdered between August 2017 and March 2019. Mexican authorities are frequently identified as the perpetrators behind crimes against journalists and human rights defenders. Public officials were determined to be the likely aggressors in 39 percent of cases the Mechanism has overseen.”⁴⁴³

Embedding Human Rights and Sustainability in Public Procurement

The 2026 FWC’s emphasis on transparency and human rights due diligence across supply chains could be leveraged to improve transparency in public and private procurement. This section will focus on public procurement regulations at the federal and state levels.

It is important to underline that stadiums will require renovations to meet FIFA’s sustainability standards, particularly the Azteca Stadium in Mexico City, owned by broadcaster Televisa. Despite being private entities, the renovations will link them to city infrastructure and urban development policies that strive for sustainability.

Sustainable Procurement for the London 2012 Olympics

Billed as being socially, economically, and environmentally sustainable, the London Olympics promised to be the “greenest Games in modern times.” In 2007, the London Organizing Committee published a Sustainability Plan focusing on five different issues – climate change, waste, biodiversity, inclusion, and healthy living – and saw sustainable procurement as essential for addressing each issue and achieving overall sustainability.⁴⁴⁴ Following the games, the Department for Environment, Food and Rural Affairs (Defra) developed a guide on sustainable procurement for construction projects, compiling lessons learned from the games, which contains eight principles to inform public procurement regarding construction.⁴⁴⁵ The guide also contains tools to facilitate the procurement process, including a scorecard to be used as pre-qualification selection criteria and to assess bids at the award stage. The scorecard includes the following criteria: cost, on time, safe and secure, equalities and inclusion, environment, and ethics (including human rights), quality and functionality, and legacy.

⁴⁴³ “Turning the Tide on Impunity: Protection and Access to Justice for Journalists and Human Rights Defenders in Mexico,” Peace Brigades International-Mexico, www.pbi-mexico.org/sites/pbi-mexico.org/files/2019%20WOLA%20PBI_ENG.pdf, March 2019.

⁴⁴⁴ London Organizing Committee, “Toward One Planet: London 2012 Sustainability Plan,” DEFRA, November 2007, www.data.parliament.uk/DepositedPapers/Files/DEP2007-0171/DEP2007-0171.pdf.

⁴⁴⁵ “London 2012 Olympic and Paralympic Games The Legacy: Sustainable Procurement for Construction Projects: A Guide,” DEFRA, July 2013, www.assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/224038/pb13977-sustainable-procurement-construction.PDF.

A useful starting point is the Open Contracting Partnership, the Open Contracting Global Principles, and the Open Contracting Data Standard.⁴⁴⁶ The Open Contracting Partnership is a multi-stakeholder collaboration across governments, businesses, civil society, and technologists to open and transform government contracting worldwide. The partnership brings open data and open government together to ensure public money is spent openly, fairly, and effectively. It began as a World Bank Initiative and became an independent not-for-profit in 2015, working in over 30 countries, including Canada, Mexico, and the U.S. There are two parts to the Open Contracting Global Principles: the first has to do with affirmative disclosure and the second with participation, monitoring, and oversight. The Open Contracting Data Standard has already been endorsed by the G7, G20, and the OECD. Mexico officially adopted the Open Contracting Principles in 2013 and has since worked through a multi-stakeholder initiative known as the Open Contracting Alliance MX.⁴⁴⁷

Government procurement in Mexico is regulated by both federal laws⁴⁴⁸ and state regulations which, among other issues, regulate bidding processes and transparency. The opening up of public data is regulated by the Federal Law on Transparency and Access to Public Information as well as by the 2015 Presidential Decree which Establishes the Regulation on Open Data. The Public Administration and Finance Ministry and the INAI both use the Open Contracting Data Standard.

To prevent corruption, Mexico limits the interactions between public officials and private firms by using an online portal (CompraNet) for the electronic exchange of documents arising from the tendering process. Award decisions are published on CompraNet and on the procuring entity's bulletin board. However, there are a number of different platforms in Mexico for the publication of public procurement data and there is no clarity about the fields of data which must be published by each platform, making it extremely difficult to look for contracts/information.⁴⁴⁹

Federal government procurement laws contain some, albeit limited, human rights protections related to people with disabilities, support for peasant workers and marginalized groups, and workers' rights to receive social security benefits.⁴⁵⁰

- For contracting by public tender or by invitation involving at least three bidders, where applications are evaluated by means of a system of points or percentages,

⁴⁴⁶ "Home," Open Contracting Partnership, accessed July 21, 2020, www.open-contracting.org.

⁴⁴⁷ "National Open Contracting Platform," ITU, accessed July 21, 2020, www.itu.int/net4/wsis/archive/stocktaking/Project/Details?projectId=1514911823.

⁴⁴⁸ Article 134 of the Mexican Constitution deals with public procurement and establishes that, in order to ensure value for money, it will take place by means of open bidding processes except where this is inappropriate, e.g. where it will not ensure the best deal. This article is implemented through the Public Sector Procurement, Leasing and Services Act (PSPLSA) and the Public Works and Related Services Act (PW RSA).

⁴⁴⁹ Eduard Martín-Borregón and José Félix Farachala Valle, "Contrataciones abiertas para la rendición de cuentas. El caso de México," PODER, www.todosloscontratos.mx/docs/Contrataciones-abiertas-para-la-rendicion-de-cuentas.pdf.

⁴⁵⁰ Mexican Government, response to Business and Human Rights Resource Centre's question, "Has your government taken any initiatives to reduce companies' negative impacts on human rights that you consider particularly successful?," available at: www.business-humanrights.org/en/mexico-1.

the Federal Public Administration's departments and bodies must grant points or percentage units to applications submitted by applicants that have a disability or companies whose staff is made up of at least 5% disabled workers who have been employed by the company for a minimum of six months.

- The Federal Public Administration's departments and bodies may award contracts for acquisitions, leases, or services directly (as opposed to by a public tender process) with peasant workers or marginalized urban groups, either as individuals or legal entities (Art. 41 (XI) PSPLSA) as well as for public works or related services that require rural or marginalized urban labor, where the department or body concerned directly contracts workers from the place where the work is to be carried out (Art. 42 (IX) PWRSA).
- When a Federal Public Administration's department or body contracts services that require the intensive use of labor, the cost of which accounts for more than 30% of the total contract value, the obligation for the suppliers to register with and pay contributions to the Mexican Social Security Institute for their workers and to submit the corresponding records to the department or body concerned on a bi-monthly basis must be stipulated in the public invitation to tender issued to at least three bidders and in the respective contract (Art. 80, PSPLSA Implementing Regulations).
- In the annual schedule for the procurement of public works and related services, the Federal Public Administration's departments and bodies must take into account that all public facilities must enable access, evacuation, and free movement without architectural barriers for all persons and for people with disabilities, and must comply with the design and signage rules for facilities, transit routes, health services, and other similar facilities (Art. 21 (XV) PWRSA).

Government procurement at the state and local levels depends on state regulations. In all three Mexican states, there are no explicit human rights protections in either bidding or contracting processes.

Mexico City uses the Open Contracting Data Standard. In February 2019, it launched the "Tianguis Digital," the city's new platform to manage public contracting and ensure that it is conducted in an open manner to make the best use of the municipal resources. All CDMX institutions must publish procurement opportunities on the platform. The platform also contains a new registration system for all possible contracts. In Mexico City, there are no explicit human rights protections in the context of public procurement other than those stipulated by the Mexican Constitution.⁴⁵¹

⁴⁵¹ CDMX's public procurement is regulated by the Federal District Public Procurement Law and its Regulation. The Law requires that public procurement take place by means of an open bidding process to ensure best value for money (Art. 26), except in limited circumstances. The Law requires that CDMX institutions give preference to small and medium-sized businesses and that they give preference to local businesses within this category (Art. 15). Public institutions can only give contracts to foreign companies under specific circumstances, otherwise they must give preference to national companies (Art. 30 (II)), where free trade agreement obligations allow. As per the federal public procurement rules, CDMX institutions may also award direct contracts to peasant, rural, or marginalized urban groups (Art. 54 (VIII)).

Jalisco also participates in the Open Government Partnership.⁴⁵² In 2015, leaders from civil society, academia, and the private sector came together with state and municipal leaders in Jalisco to create the Technical Secretariat for Open Government of Jalisco. The Secretariat set as its objectives the promotion and strengthening of the open government agenda in Jalisco as well as the creation and development of the state's Local Action Plan 2016-18 (LAP). One of the commitments of the LAP was the creation of an electronic platform to be used for the public procurement process using the Open Contracting Data Standard.⁴⁵³ This platform was legislated for in the 2016 Law on Public Procurement and Disposals and Contracting of Services.⁴⁵⁴ As well as containing contracts, the platform also contains a registry of contractors. As in CDMX, the Jalisco Law requires that preference be given to small and medium-sized local businesses and to national over foreign businesses where free trade agreement obligations allow. However, there is no clause permitting direct adjudication for peasant, rural, or marginalized urban groups. Similarly, there are no explicit human rights protections.

As in CDMX and Jalisco, public procurement must be done using the State's electronic platform, except in the limited circumstances.⁴⁵⁵ Nuevo León's legislation is stricter than CDMX's and Jalisco's with regards to foreign contractors. Public bodies must award contracts to national entities where possible, except where free trade agreement obligations do not allow. As per Jalisco, there is no clause permitting direct adjudication for peasant, rural, or marginalized urban groups and there are no explicit human rights protections.

5.3. Incorporating Existing Business and Human Rights Agendas

Organizing around the 2026 FWC should take advantage of the existing capacities and experiences of local and regional CSOs as well as opportunities to bring visibility to advocacy efforts around the World Cup.

- **The Mexican Focal Group on Business and Human Rights (Focal Group):** The Focal Group strives for the respect, promotion, and protection of human rights by the State and private national and transnational corporations through the implementation of the UNGPs and other human rights standards. It includes several CSOs from or operating in Mexico.
- **Protections for whistleblowers:** In February 2019, Senator Clemente Castañeda Hoeflich of the leftist party *Movimiento Ciudadano* introduced a legislative proposal

⁴⁵² Jalisco's public procurement is regulated by the 2016 Law on Public Procurement and Disposals, and Contracting Services by Jalisco and its municipalities, and its Regulation. The Law requires that public procurement take place by means of open bidding processes, except in limited circumstances (Art. 47).

⁴⁵³ "Open Government Local Action Plan, Jalisco, 2016-2018," Technical Secretariat for Open Government, Jalisco, www.opengovpartnership.org/wp-content/uploads/2001/01/Jalisco_Subnational_Action-Plan_2016-2018_EN.pdf, 23.

⁴⁵⁴ "Publishing Platform for Government Procurement of Jalisco," Open Government Partnership, www.opengovpartnership.org/members/jalisco-mexico/commitments/JAL0007; "Encompras, Portal de Compras Gubernamentales," Jalisco State Government, www.encompras.jalisco.gob.mx/compras/encompras.

⁴⁵⁵ Nuevo León's public procurement is regulated by its Law on Procurement, Leasing and Contracting and its Regulation. The Law requires that public procurement take place by means of open bidding processes except in limited circumstances (Art. 25).

for an Act for the Protection of Witnesses and Whistle Blowers Relating to Acts of Corruption, so as to facilitate and incentivize reporting of wrongdoing.⁴⁵⁶ There is a civil society movement supporting better protections for whistleblowers, which includes the Focal Group.

- **The Open Government Partnership (OGP)⁴⁵⁷:** A mixed initiative with members from national and local governments as well as thousands of CSOs that promotes accountable, responsive, and inclusive governance. Government members develop and implement national action plans (NAPs) to fulfill the initiative’s objectives. Mexico is one of the OGP’s eight founding countries and has developed three NAPs since 2011.⁴⁵⁸ In 2019, AMLO’s administration relaunched the Mexican Open Government Partnership (*Alianza para el Gobierno Abierto*, AGA), after the process had been stalled under Peña Nieto’s administration when the federal government was found to have spied on journalists and civil society.⁴⁵⁹ Mexico is currently in the process of developing its fourth NAP, which will focus, among other things, on improving beneficial ownership transparency as well as transparency of public trusts.⁴⁶⁰
- **UN Regional Forum on Business and Human Rights for Latin America and the Caribbean⁴⁶¹:** This forum provides a unique space for dialogue between governments, businesses, civil society, affected groups, labor organizations, and international organizations in relation to trends, challenges, and good practices in preventing and addressing the negative consequences of business-related human rights effects. This event allows evaluation of the implementation by States and companies in the region of the UNGPs and other complementary international standards, such as the OECD Guidelines for Multinational Enterprises and the ILO’s Tripartite Declaration of Principles on Multinational Enterprises and Social Policy, and seeks to promote initiatives for its implementation. The forum happens once a year.
- **UN Forum on Business and Human Rights⁴⁶²:** This is the world’s largest annual gathering on business and human rights with thousands of participants from government, business, community groups and civil society, law firms, investor organizations, UN bodies, national human rights institutions, trade unions, academia, and the media. Participants take part in over 60 panel discussions on topics that relate to the UNGPs as well as current business-related human rights issues.

⁴⁵⁶ “Plantean Ley de Protección a Testigos y Denunciantes de Actos de Corrupción,” Senado de la República, February 7, 2019, www.comunicacion.senado.gob.mx/index.php/informacion/boletines/43582-plantean-ley-de-proteccion-a-testigos-y-denunciantes-de-actos-de-corrupcion.html.

⁴⁵⁷ Open Government Partnership, www.opengovpartnership.org, accessed September 29, 2020.

⁴⁵⁸ Alianza para el Gobierno Abierto México, www.gobabiertomx.org/quienes-somos, accessed September 29, 2020.

⁴⁵⁹ Rodrigo Riquelme, “AMLO buscar relanzar mecanismo para Alianza de Gobierno Abierto,” *El Economista*, February 18, 2019, www.economista.com.mx/tecnologia/AMLO-busca-relanzar-mecanismo-para-Alianza-de-Gobierno-Abierto-20190218-0056.html.

⁴⁶⁰ “Construcción del Cuarto Plan de Acción 2019-2021 de México,” Alianza para el Gobierno Abierto México, December 2019, www.drive.google.com/file/d/1KVRUBekl2IXE1qkjaaeLsOq9tenZBdP/view, pgs. 16-71.

⁴⁶¹ UN Regional Forum on Business and Human Rights for Latin America and the Caribbean, www.vfororegional.org/?locale=en, accessed September 29, 2020.

⁴⁶² UN Forum on Business and Human Rights, www.ohchr.org/EN/Issues/Business/Forum/Pages/ForumonBusinessandHumanRights.aspx, accessed September 29, 2020.

6. Remedy and Accountability Mechanisms

To identify key opportunities for the protection of human and labor rights, it is important to review key national and regional regulatory and legal frameworks. There are different accountability mechanisms at both the regional and international levels as well as different investor mechanisms to handle complaints from victims of abuse.

It is worth noting that FIFA is subject to Swiss law and regulations as well as European Union law and regulations. In 2017, for instance, the Dutch labor union FNV brought FIFA to Swiss courts under a civil liability procedure “over the violations of labor rights of migrant workers in Qatar,” although the claim was ultimately rejected.⁴⁶³ As stated by Duval et al. (2020), “recent doctrinal and jurisprudential developments could facilitate the horizontal application of... fundamental rights to FIFA, thus strengthening the position of EU law and the EU institutions as normative references and institutional spaces to hold FIFA accountable on the basis of fundamental rights.”⁴⁶⁴ Another forum is the Court of Arbitration for Sport (CAS), an arbitral body exclusively competent to review FIFA’s decisions, which will likely increasingly receive FIFA-related human rights disputes.⁴⁶⁵ Finally, in November 2020, Switzerland will hold a public referendum on the Responsible Business Initiative (RBI) that will add a new article on liability provisions of parent companies for illegal acts of controlled companies and introduce mandatory human rights and environmental due diligence for Swiss companies.⁴⁶⁶ The RBI could potentially open new avenues for FIFA human rights accountability.

Table 12 lists both judicial and non-judicial procedures through which FIFA and partners (particularly private companies) can be held accountable for human rights (including labor rights), with a focus on those available in Mexico and the U.S., recognizing the importance of strengthening national mechanisms for building long-lasting impact. In the context of the World Cup, there are numerous actors that participate, which often “blurs the lines of accountability, as it becomes difficult to identify a single actor responsible for a certain adverse human rights impact, or to trace back sufficiently which actor is responsible for what.”⁴⁶⁷ Duval et al. (2020) propose taking a “shared responsibility approach” to these cases, a concept that continues to be developed in international law.⁴⁶⁸

⁴⁶³ Duval and Heerdt, “FIFA and Human Rights – a Research Agenda.”

⁴⁶⁴ *Ibid.*

⁴⁶⁵ *Ibid.*

⁴⁶⁶ Roger Disch, Roger Müller, and Mark Vesper, “How Will the Responsible Business Initiative Change Your Business?,” EY (blog), October 19, 2020, www.ey.com/en_ch/assurance/how-will-the-responsible-business-initiative-change-your-business.

⁴⁶⁷ Duval and Heerdt, “FIFA and Human Rights – a Research Agenda.”

⁴⁶⁸ *Ibid.*

⁴⁶⁹ “FIFA launches complaints mechanism for human rights defenders and journalists,” FIFA, May 29, 2018, [www.fifa.com/who-we-are/news/fifa-launches-complaints-mechanism-for-human-rights-defenders-and-journalists#:~:text=FIFA%20launches%20complaints%20mechanism%20for%20human%20rights%20defenders%20and%20journalists,-29%20May%202018&text=Today%2C%20FIFA%20launched%20a%20complaints,FIFA's%20activities%20\(see%20here\)](http://www.fifa.com/who-we-are/news/fifa-launches-complaints-mechanism-for-human-rights-defenders-and-journalists#:~:text=FIFA%20launches%20complaints%20mechanism%20for%20human%20rights%20defenders%20and%20journalists,-29%20May%202018&text=Today%2C%20FIFA%20launched%20a%20complaints,FIFA's%20activities%20(see%20here)).

These measures can be considered in addition to strengthening FIFA’s own grievance and remedy mechanisms. In May 2018, two months before the beginning of the 2018 FWC in Russia, FIFA launched a complaint mechanism for human rights defenders and media representatives, in which complaints were received through an online form.⁴⁶⁹ According to researcher Daniela Heerdt, the mechanisms’ effectiveness depends “on the steps FIFA takes and the follow-up processes that apply after FIFA redirected the complaint.”⁴⁷⁰

Table 12 – Regional and International Accountability Mechanisms

Law or Mechanism	Description
U.S.	
The U.S. Bill of Rights	The Bill of Rights was originally meant to apply to federal actions only. During the twentieth century, the Supreme Court began to apply selected rights to state action as well. The guarantees of the Bill of Rights do not limit what a company or person in the private sector may do. The U.S. has judicial review procedures whereby applicants can challenge before the Federal Courts, in limited circumstances, the content of legislation and, more widely, the way in which legislation is applied on the basis that it is contrary to the Constitution. The federal courts can also be used by those with sufficient standing to challenge the constitutional nature of administrative action by public bodies.
The Global Magnitsky Human Rights Accountability Act	The act authorizes the U.S. government to sanction those who it sees as human rights offenders, freeze their assets, and ban them from entering the U.S. ⁴⁷¹
The Bureau of International Labor Affairs (ILAB)	ILAB’s mission is to promote a fair playing field for workers in the U.S. and around the world by enforcing trade commitments, strengthening labor standards, and combating international child labor, forced labor, and human trafficking. ⁴⁷² Its Office of Labor, Child and Human Trafficking encourages submissions by all actors to complement its International Child and Forced Labor Reports. ⁴⁷³ ILAB also maintains a List of Goods Produced by Child Labor or Forced Labor, as mandated by the Trafficking Victims Protection Reauthorization Act, which comprises 155 goods from 77 countries as of September 2020. ⁴⁷⁴ The Monitoring & Enforcement of Trade Agreements Division within ILAB’s Office of Trade and Labor Affairs receives and reviews submissions made under the labor chapters of trade agreements. ⁴⁷⁵ For example, it can receive submissions regarding labor rights violations using USMCA chapter 23 (see USMCA Chapter 23 state-to-state labor dispute mechanism for more information).

Law or Mechanism	Description
<p>The National Labor Relations Act</p>	<p>The NLRA protects labor rights. Since protections are predicated on “employee” status, it is likely that a narrower band of individuals will be protected compared to the term “worker,” which is used in the relevant international conventions and which is generally understood to cover a wider range of relationships, such as certain types of self-employed workers or contractors.</p>
<p>The Federal Acquisition Regulation</p>	<p>This Regulation contains procurement rules, which apply to all government agencies. The general approach of the FAR is that government contracts and compliance with civil and criminal laws are separate. This assumes that there are prosecutors, enforcement agencies, and courts that can award damages for negligence if a contractor violates the law. There are, however, some exceptions to this approach in the field of human and labor rights:</p> <ul style="list-style-type: none"> ● The Walsh-Healey Public Contracts Act, 1936 establishes minimum wage, maximum hours, and safety and health standards for work on contracts in excess of 15,000 USD for the manufacturing or furnishing of materials, supplies, articles, or equipment to the U.S. government or the District of Columbia. ● In relation to U.S. federal contracts sourced abroad, the FAR prohibits use of forced child labor (FAR 22.15, Prohibition of Acquisition of Products Produced by Forced or Indentured Child Labor). ● In relation to federal contracts sourced abroad, the FAR prohibits human trafficking (FAR 22.17, Combating Trafficking in Persons). ● In relation to U.S. government contracts sourced from the U.S. territory, the FAR prohibits federal contractors from discriminating on the basis of race, color, religion, sex, national origin, sexual orientation, or gender identity (FAR 52.222-26 Equal Opportunity). ● The FAR protects the wages of contractors’ employees in the U.S.: for contracts over 2,500 USD (over 2,000 USD for construction), contractors must pay prevailing wages and benefits for the locality in which the work is performed (FAR 22.403-1, Construction Wage Rate Requirements statute). The minimum wage for contractors’ employees is 10.10 USD per hour (FAR 22.19, Establishing a Minimum Wage for Contractors).

⁴⁷⁰ Daniela Heerdt, “FIFA and the IOC’s Human Rights Reporting Tools – a Flower in the Remedy Bouquet,” Rights as Usual, September 9, 2018, www.rightsasusual.com/?p=1270.

⁴⁷¹ “It’s the end of the year, the Global Magnitsky sanctions are here,” Global Witness, December 31, 2019, www.globalwitness.org/en/blog/its-the-end-of-the-year-the-global-magnitsky-sanctions-are-here.

Law or Mechanism	Description
The Trafficking Victims Protection Act	This Act makes human trafficking a federal crime (s.102). It does not associate trafficking with physical transport. Its provisions focus on “severe forms of trafficking in persons” as well as “sex trafficking.” Severe forms of trafficking include “sex trafficking in which a commercial sex act is induced by force, fraud, or coercion, or in which the person induced to perform such act has not attained 18 years of age” as well as “the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.” (s.103)
Mexico	
The Constitution and the Amparo Act	Fundamental human rights are contained in the federal constitution, which explicitly recognizes the right to unionize of unpaid or independent workers and merchants as well as producers of goods or crafts. An “amparo” or constitutional lawsuit can be brought against public institutions to challenge decisions that violate constitutional rights. The Amparo Law states that private actors will be considered to be public institutions for the purposes of the law when they engage in activities that are equivalent to those carried out by the state and that affect rights and when those activities are legislated for/regulated (Art. 5 (II)). The Mexican courts have taken a fairly restrictive approach to Art. 5 (II) so far.
The National Commission of Human Rights	The Commission can receive complaints about human rights violations but has no direct powers to remedy. It must make recommendations to other public bodies to remedy identified harms.
The Federal Labor Law	<p>This Law protects labor rights.</p> <p>General provisions:</p> <ul style="list-style-type: none"> ● Requires a national minimum wage (Art. 90), which has seen dramatic increases since the 2019 reform (see below). It was increased 20% as of January 1, 2020. There is a higher minimum wage for workers on the Northern border than for the rest of the country. ● Defines a worker as a physical person who conducts subordinated work for others (Art. 8-9). ● Stipulates that normal working hours are 8 hours per day, 6 days a week (Arts. 61 and 69). ● Limits the use of subcontracting where the workers are deliberately transferred from the contractor to the subcontractor to reduce worker rights (Art. 15-D). Where this is the case, the contractor will be fined (Art. 1004-C). ● Obliges all companies to ensure that subcontractors guarantee the right to a safe work environment and that occupational safety and health standards are met by the subcontractor (Art. 15-C). Failure to meet the obligations causes joint liability for the beneficiary company and the subcontractor. ● Prohibits workplace discrimination, although race, color, national extraction, social origin, and political opinion are not explicitly covered. The Law does not cover gender identity.

Law or Mechanism	Description
The Federal Labor Law	<p>The 2015 Labor Reform: Changes the legal working age from 14 to 15, requiring that 15 year-olds have the consent of their parents or guardians in order to work and requiring that those between the ages of 16 and 17 present a medical certificate showing they are fit for work. Allows employees aged 15 and over to join unions (previously they had to be 16).</p> <p>The 2019 Labor Reform: Establishes a new labor justice system through the creation of local judicial entities. Increases union democracy requiring the verification of worker support prior to the registration of CBAs, including by casting secret, personal, and free ballots in union elections. Creates the Federal Center for Labor Conciliation and Registry as the first instance body to hear labor disputes.</p> <p>MORENA Bill regarding subcontracting: In October 2019, MORENA introduced a Bill to the Senate to modify the subcontracting provisions currently in force under the Federal Labor Law. Under the Bill, companies would only be permitted to subcontract services that are unrelated to its primary activity. Subcontracting continues to be a central issue under the current administration a central issue under the current administration.</p>
General Act for the Prevention, Punishment and Eradication of the Crimes of Human Trafficking	<p>This Act prohibits trafficking, which is defined as any willful act or omission of one or more persons to capture, hook, transport, transfer, retain, deliver, receive, or house one or more persons with the purpose of exploitation (Art.5).</p>
Regional	
Inter-American Commission on Human Rights	<p>This Commission is an autonomous organ of the Organization of American States (OAS). It can decide individual complaints concerning alleged human rights violations and may issue emergency protective measures when an individual or the subject of a complaint is at immediate risk of irreparable harm. The Commission also engages in a range of human rights monitoring and promotion activities, including through its rapporteurships and units, which are special mechanisms dedicated toward protecting and promoting the rights of vulnerable groups of people who have historically faced marginalization.</p>

Law or Mechanism	Description
Inter-American Court on Human Rights	The Court is the judicial organ of the OAS. It can decide individual complaints concerning alleged human rights violations and may issue emergency protective measures when an individual or the subject of a complaint is at immediate risk of irreparable harm. The Court's mandate is more limited than that of the Commission because it may only decide cases brought against the OAS Member States that have specifically accepted the Court's contentious jurisdiction and those cases must first be processed by the Commission. Additionally, only State parties and the Commission may refer contentious cases to the Court. It can issue advisory opinions pertaining to the interpretation of the Inter-American instruments at the request of an OAS organ or Member State.
USMCA Chapter 23 state-to-state labor dispute mechanism	Chapter 23 of USMCA relates to labor rights. It requires that each Party adopt the following rights under national legislation, contained in the ILO Declaration on Rights at Work: a) freedom of association and the effective recognition of the right to collective bargaining; (b) the elimination of all forms of forced or compulsory labor; (c) the effective abolition of child labor and, for the purposes of this Agreement, a prohibition of the worst forms of child labor; and (d) the elimination of discrimination in respect of employment and occupation. It also requires Parties to respect minimum wages, hours of work, and occupational health and safety. Submissions can be made to the U.S. and Canadian departments of labor regarding Chapter 23 violations in Mexico. Article 23.17 on Labor Consultations requires that "[t]he Parties shall make every effort through cooperation and dialogue to arrive at a mutually satisfactory resolution of any matter arising under this Chapter." The Labor Consultations are a state-to-state negotiating mechanism to resolve state actions (or inactions) which have led to labor rights violations, the desired outcome being changes in government policies.
USMCA Chapter 31 rapid response mechanism (RRM)	Where parties cannot resolve a disagreement through Labor Consultations, they may then resort to the second mechanism: the new RRM. The RRM is contained in Annex 31-A (for disputes between the U.S. and Mexico) and 31-B (for disputes between Mexico and Canada) of the Protocol of Amendment to the Agreement. The two annexes are almost identical, with only minor adjustments in the footnotes to accommodate the two countries' different domestic processes. A U.S.-Canada mechanism is notably missing. Unlike the Labor Consultations, which relate to country or industry-wide labor practices, the RRM focuses on disputes that involve specific factories or facilities. The RRM provides for a Panel of three independent experts to investigate alleged treaty violations. The Panel can inspect the factory in question. Where a violation is not remedied, the Party can revoke preferential tariff treatment for goods from the specific facility or impose other penalties. The RRM applies when one of the Parties believes that a "Covered Facility" is denying its workers their rights of free association and collective bargaining (referred to as a Denial of Rights). The scope of the RRM is limited when it comes to violations by U.S. or Canadian facilities. In effect, both the U.S. and Canada are shielded from cases by domestic procedures and Mexico, with no such protection, will be the main subject of review under both Annexes.

Law or Mechanism	Description
<i>International</i>	
OECD National Contact Points (NCPs)	The OECD Guidelines for Multinational Enterprises (Guidelines) are a comprehensive set of government-backed recommendations on responsible business. They provide principles and standards for business conduct in areas such as environment, employment and industrial relations, human rights, disclosure, combating bribery, consumer interests, science and technology, competition, and taxation. The governments that adhere to the Guidelines must have NCPs whose role is to further the effectiveness of the Guidelines by handling inquiries and helping to resolve issues that may arise from the non-observance in specific instances. They provide a mediation and conciliation platform for the resolution of issues that may arise in the implementation of the Guidelines.
ILO Conventions and Complaints Procedure	The ILO complaints procedure is governed by articles 26 to 34 of the ILO Constitution, under which a complaint may be filed against a member State for not complying with a ratified Convention by another member State which has ratified the same Convention, a delegate to the International Labour Conference, or the Governing Body of its own motion. Upon receipt of a complaint, the Governing Body may establish a Commission of Inquiry, consisting of three independent members, which is responsible for carrying out a full investigation of the complaint, ascertaining all the facts of the case, and making recommendations on measures to be taken to address the problems raised by the complaint. Canada and Mexico have ratified all eight of the ILO's core Conventions; however, the U.S.'s ratification is notably missing from the majority.
UN Office of the High Commissioner on Human Rights	The OHCHR is the leading UN entity on human rights. Its mandate is to promote and protect all human rights for all people. It collaborates with governments to strengthen their human rights capabilities, encourages states to develop policies and institutions that are conducive to human rights, and provides advice and technical assistance to achieve these goals.
Special Procedures of the UN Human Rights Council	The Special Procedures are independent human rights experts with mandates to report and advise on human rights from a thematic or country-specific perspective. With the support of the OHCHR, they undertake country visits and act of specific cases and concerns. Special Rapporteurs may receive and act upon complaints regardless of whether the alleged victim has exhausted domestic remedies and whether the concerned State has ratified human rights treaties. However, they have no power to force any government or company to do or to stop doing anything. Their power lies only in their ability to influence public opinion and persuade decision-makers. There are no country mandates for the U.S., Canada, or Mexico. As of September 2020, there are 41 thematic mandates.

Law or Mechanism	Description
<p>UN Human Rights Treaty Mechanisms</p>	<p>There are nine core international human rights treaties in the U.N. system, each of which has a “treaty body” (Committee) of experts charged with monitoring implementation of the treaty provisions. Each Committee has a complaint mechanism that allows it to receive communications from individuals complaining of violations of the treaty it is tasked with overseeing. The Committees are: (1) the Human Rights Committee (CCPR), which monitors implementation of the International Covenant on Civil and Political Rights; (2) the Committee on Elimination of Discrimination against Women (CEDAW), which monitors implementation of the Convention on the Elimination of All Forms of Discrimination against Women; (3) the Committee against Torture (CAT), which monitors implementation of the Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment; (4) the Committee on the Elimination of Racial Discrimination (CERD), which monitors implementation of the International Convention on the Elimination of All Forms of Racial Discrimination; (5) the Committee on the Rights of Persons with Disabilities, which monitors implementation of the Convention on the Rights of Persons with Disabilities; (6) the Committee on Enforced Disappearances (CED), which monitors implementation of the International Convention for the Protection of All Persons from Enforced Disappearance; (7) the Committee on Economic, Social and Cultural Rights (CESCR), which monitors implementation of the International Covenant on Economic, Social and Cultural Rights; (8) the Committee on the Rights of the Child (CRC), which monitors implementation of the Convention on the Rights of the Child; and (9) the Committee on Migrant Workers (CMW), whose individual complaint mechanism has not yet entered into force. Generally, treaties are only binding on States that have signed and ratified them. In several cases, the Committee complaint processes only apply to States parties that have also ratified an Optional Protocol that subjects them to the Committee’s jurisdiction. This is true for the ICCPR, CEDAW, CPRD, ICESCR, and CRC. In other cases, the complaint processes only apply where States parties have made a declaration subjecting themselves to the Committee’s jurisdiction under a specific article of the Convention. This is true for CERD, CAT, CED, and CMW. A list of which States have ratified the core treaties and Optional Protocols is available at: http://tbinternet.ohchr.org/_layouts/TreatyBodyExternal/Treaty.aspx. More information about the individual complaint procedures for each Committee here: http://www.ohchr.org/EN/HRBodies/TBPetitions/Pages/IndividualCommunications.aspx#proceduregenerale.</p>
<p>UN Working Group on the issue of human rights and transnational corporations and other business enterprises</p>	<p>The Working Group has a communications procedure that allows individuals or groups to submit information regarding cases of transnational corporations or other business enterprises adversely impacting human rights. After receiving a communication, the Working Group may opt to send a letter to the States or companies involved to draw their attention to the situation and the applicable international human rights norms and standards. Resolution 26/22 of the Human Rights Council encourages all States, relevant U.N. agencies, funds and programs, treaty bodies and civil society actors, including NGOs as well as public and private businesses to cooperate fully with the Working Group by responding to communications transmitted.</p>

Law or Mechanism	Description
The Voluntary Principles on Private Security and Human Rights	The Principles cover risk assessment, companies and public security, and companies and private security. They were originally developed for the extractive and energy sector, but are now implemented by companies in different sectors.
Principles to combat human trafficking in global supply chains	In September 2018, the governments of the U.S., Australia, Canada, New Zealand, and the U.K., launched the Principles to guide government action to combat human trafficking in global supply chains. They provide a framework for governments to act against human trafficking in domestic and international supply chains. ⁴⁷⁶
Banks	
World Bank Inspection Panel	For projects financed by the public-sector arms of the World Bank, namely the International Bank for Reconstruction and Development (IBRD) and International Development Association (IDA), aggrieved stakeholders can file complaints with the World Bank Inspection Panel. The Panel is only mandated to investigate violations of the Bank's own policies and procedures, not violations of law or human rights more broadly. Though the Panel does not explicitly work within a human rights framework, its policies address many of the same areas of concern, including adverse social and environmental consequences. Complaining parties must show how the Bank itself failed to comply with its own policies in approving and funding projects that are detrimental to local communities.
World Bank Compliance Ombudsman	For projects funded by the private sector arms of the World Bank, namely the International Finance Corporation (IFC) and Multilateral Investment Guarantee Agency (MIGA), impacted individuals and communities may submit complaints to the Compliance Advisor/Ombudsman (CAO). To receive IFC or MIGA funding, projects must meet performance standards regarding social and environmental responsibility. Complaints must relate to social and/or environmental issues associated with a project.

Law or Mechanism	Description
<p>Inter-American Development Bank’s (IDB) Independent Consultation and Investigation Mechanism</p>	<p>The Independent Consultation and Investigation Mechanism accepts complaints from parties who believe they have been or will be harmed by IDB-financed projects. The harm must relate to the IDB’s failure to correctly apply one or more of its Relevant Operational Policies.</p>
<p>U.S. International Development Finance Corporation’s (DFC) Office of Accountability</p>	<p>The DFC is the U.S. development bank. The DFC’s Office of Accountability is an independent institution within the DFC “that addresses concerns, complaints or conflicts about environmental or social issues that may arise around DFC-supported projects. The office provides project-affected communities, project sponsors and project workers an opportunity to have concerns independently reviewed and addressed.”</p>
<p>Equator Principles (EPs)</p>	<p>The EPs are “a risk management framework, adopted by financial institutions, for determining, assessing and managing environmental and social risk in projects and are primarily intended to provide a minimum standard for due diligence to support responsible risk decision-making.” There is no official grievance mechanism, however, Principle 6 requires that project companies for high and medium-risk projects establish effective grievance mechanisms for affected communities and workers, “to receive and facilitate resolution of concerns and grievances about the project’s social and environmental performance.”</p>

⁴⁷² The U.S. Department of Labor, ILAB, www.dol.gov/agencies/ilab/our-work/child-forced-labor-trafficking, accessed 13 October 2020.

⁴⁷³ The U.S. Department of Labor, ILAB, International Child Labor and Forced Labor Reports, www.dol.gov/agencies/ilab/resources/reports/child-labor, accessed 13 October 2020.

⁴⁷⁴ Ibid.

⁴⁷⁵ The U.S. Department of Labor, ILAB, Submissions under the labor provisions of Free Trade Agreements, www.dol.gov/agencies/ilab/our-work/trade/fta-submissions, accessed 28 October 2020.

⁴⁷⁶ Governments of U.S. Australia, Canada, New Zealand, and the U.K., “Principles to combat human trafficking in global supply chains,” Gov.uk, September 2019, www.assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/872438/Principles_to_Guide_Government_Action_to_Combat_Human_Trafficking_in_Global_Supply_Chains.pdf.

7. Next Steps

This report analyzes the organizing process of the 2026 FIFA World Cup and the main sectors involved in the tournament with the aim of providing civil society organizations with information to improve human and labor rights protections and sustainability and strengthen collective worker and grassroots power.

In conversations with counterparts and stakeholders, Empower identified three main objectives: 1) Strengthening worker rights in key sectors in Mexico and the U.S. as well as those of migrant workers; 2) Building an inclusive civil society movement centered around structural issues in host cities; and 3) Improving the human rights and sustainability impact of MSEs. The complexity and size of the event requires clear identification of key actors, key moments for engagement, and coordinated strategic planning. Similarly, these objectives fit within two wider civil society approaches to MSEs and human rights: i) Addressing human rights and sustainability in sports; and ii) Addressing human rights and sustainability through sports.

Limitations and Next Steps

The profound long-term impact of the COVID-19 pandemic cannot be overlooked. Economic uncertainty is increasing and the expected economic crisis can impact host city capabilities to stage an MSE. The general vulnerability of workers has increased, including those participating in key sectors analyzed in this report. The Business and Human Rights Resource Centre's study on company behavior during the COVID-19 pandemic in Mexico highlights the extent to which the health crisis "has highlighted existing structural problems and prevalent human rights abuses in Mexico." At the same time, the urgency of the situation is shifting priorities for civil society organizations to issues around widespread precarity. Despite this, FIFA appears to stick to "business as usual." Host cities should not only be selected based on the human rights strategies they provide in January 2021 but also on their actual responses to the hardships faced by their residents during the current health and economic crises. This requires a strong effort on behalf of CSOs to provide empirical evidence to FIFA, partners, and the public at large.

In other words, the landscape will continue to change in the next five years. Besides the fact that the identification of specific corporate actors mentioned in this report is still speculative, many of them are also facing short-term financial challenges. In that regard, the information presented in this report might soon be outdated.

This report, therefore, is an initial exercise in strategic corporate research to identify opportunities for CSOs in Mexico and between the U.S. and Mexico. Given the complex nature of the tournament and that five years still remain, Empower recommends the following next steps:

- **Expand the scope of the research to include U.S. actors and supply chains:** The 2026 FWC will be mainly U.S.-centered and it is important to combine efforts and share information among counterparts. The power mapping and supply chain analyses in this report focused primarily on actors and beneficial owners based in Mexico, which may overlook powerful actors exerting influence within the U.S. Empower can help with further research.
- **Analyze existing collective bargaining agreements:** To evaluate organizing possibilities in each key sector in Mexico, further research must be conducted into the labor unions that currently hold CBAs with key companies. As of May 2022, the newly established Federal Center for Labor Conciliation and Registry will have to make these agreements public. Digital and tested copies of these agreements could also be obtained through freedom of information requests. Empower can help with further research once the new transparency mechanisms are in place.
- **Create a wiki-style platform for civil society organizations:** 2025 FWC-related research should be regularly updated and accessible in both English and Spanish for it to be useful for CSOs. Empower can make further recommendations in this regard.
- **Ensure that negotiations between FIFA and cities are public:** Coordinate recurrent freedom of information requests to host cities in the U.S., Canada, and Mexico to ensure that all public concessions, subsidies, and other guarantees are in the public domain. Empower can help with further research.

Annex A – Stakeholder Interviews

Names withheld for reasons of confidentiality.

Annex B – Host City Committee Members

Table 14 – Mexican Host City Committee Members

Level of government	Guadalajara	Mexico City	Monterrey
State government	Roberto Lopez Lara, Jalisco State	Ahued Ortega, Secretary of Health Armando Lopez Cardenas, Secretary of Tourism Edgar Amador Zamora, Secretary of Finance Edgar Oswaldo Tungui Rodriguez, Secretary of Public Works Fausto Lugo Garcia, Secretary of Civil Protection Hector Serrano Cortes, Secretary of Mobility Hiram Almeida Estrada, Secretary of Public Security Horacio de la Vega, Director, Mexico City Sports Institute Irene Munoz Trujillo, Head of the Mexico City Promotion Fund Manuel Granados Covarrubias, Head of the Legal Counsel Patricia Mercado Castro, Secretary of Government Salomon Chertorivski Woldenberg, Secretary of Economic Development Tanya Muller Garcia, Secretary of Environment	Gral. Arturo González García, Public Security Secretary (State) Lic. Manuel Florentino Gonzalez, General Secretary (State) Miguel Angel Cantú González, Touristic Development Corp. Director (State) Nelson Doria, Member, Governor's PA Roberto Russildi Montellano, Sustainable Development Secretary (State)
Local government	Juan Jose Frangie, Member, Zapopan Municipality	None	Andrés Rodríguez Mercado, Urban Sustainability and Control Secretary (City Council) Epigmenio Garza Villarreal, General Secretary (Guadalupe City Council) Jorge Stahl Escamilla, Economic Development Secretary (City Council) Victor Manuel Navarro Ortiz, Public Security Secretary (City Council)

Level of government	Guadalajara	Mexico City	Monterrey
Private sector	<p>Arturo Galvez, CHIVAS, Legal</p> <p>Jose Luis Higuera, Chairperson, CEO Grupo OMNILIFE – CHIVAS</p> <p>Jose Maria Aldrete, Deputy Chairperson, CHIVAS</p> <p>Juan Murray Campell, Member, CHIVAS, Commercial</p> <p>Pedro Lobato Camacho, CHIVAS, Security</p>	<p>Andres Vergara De la Torre, Stadium Director, Azteca Stadium</p>	<p>Aida Rodriguez Malpica Azoños, Strategic Project Developer, Club de Fútbol Monterrey</p> <p>Javier Rodriguez Garza, Stadium’s Operations Director</p> <p>Jose Gonzalez Ornelas, Chairperson, President of the Administrative Council of Club de Futbol Monterrey</p> <p>Tonatiuh Mejia Moysen, Deputy Chairperson, Executive VP Club de Futbol Monterrey</p>

Source: United Bid Committee

Annex C – Renewable Energy Projects

Table 15 – Renewable Energy Projects Awarded in the First, Second, and Third Energy Auctions in Mexico

Location	Auction Number	Project Name	Project Company	Type of Energy
Aguascalientes	1	Aguascalientes Potencia 1	Recurrent Energy Mexico Development	Solar
	1	Las Viborillas	Jinkosolar Investment	Solar
	2	Aguascalientes Sur I	OPDE	Solar
	2	Trompezón	Engie	Solar
	2	Tepezalá II	Ienova	Solar
	2	Alten Aguascalientes 1, 2, 3 and 5	Alten Energías Renovables	Solar
	2	Solem I and II	Alten Energías Renovables	Solar
	3	Pachamama	Neoen International	Solar
	3	Horus	Canadian Solar Energy México	Solar
Coahuila	1	Parque Solar Villanueva	Enel Green Power México	Solar
	1	Parque Solar Villanueva 3	Enel Green Power México	Solar
	2	Andalucía II	OPDE	Solar
	2	Torreón HQ100	Hanwha Q CELLS	Solar
	3	Energía Limpia de Amistad II, III y IV	Enel	Wind
Guanajuato	1	Parque Solar Don José	Enel Green Power México	Solar
	2	Mexsolar I and II	Gestamp	Solar
	2	San Miguel de Allende 5	Grenergy	Solar
Hidalgo	1	Guajiro Solar Plant 2 ⁴⁷⁷	Atlas Renewable Energy	Solar
Michoacán	2	Azufres III Fase II Unidad 18	Comisión Federal de Electricidad (CFE)	Geothermal

⁴⁷⁷ This project is financed by Bancomext, the Mexican export credit agency. See: Connor Ryan, “Atlas Renewable Energy closes financing for 129.5 MW PV project in Mexico,” *PV Tech*, August 28, 2018, www.pv-tech.org/news/atlas-renewable-energy-closes-financing-for-129.5mw-pv-project-in-mexico.

Location	Auction Number	Project Name	Project Company	Type of Energy
Morelos	2	Xoxocotla ⁴⁷⁸	X-Elio Energy	Solar
Nuevo León	2	El Mezquite	Cubico Sustainable Investment	Wind
	3	Compañía de Electricidad Los Ramones	Invenergy Investment Company	Solar
	3	Dolores	Atlas Renewable Energy	Wind
Puebla	2	Necaxa 1, 6, 7, 8 and 10	Mota-Engil	Hydro
	2	Patla 2	Mota-Engil	Hydro
San Luis Potosí	2	Potosí Solar	FRV	Solar
Sonora	2	At Solar I, II, III, IV and V	Acciona	Solar
	2	Agua Prieta II	Comisión Federal de Electricidad	Thermal
	2	Orejana	Zuma Energia	Solar
	2	Bluemex Power	EDF Renewables	Solar
	3	Bacabachi I	X-Elio Energy	Solar
	3	Tastiota	Canadian Solar Energy México	Solar
	3	El Mayo	Canadian Solar Energy México	Solar
	3	Abril 99	Engie	Solar
Tamaulipas	1	El Cortijo	Energía Renovable del Itsmo II S.A de C.V.	Wind
	2	Salitrillos	Enel Green Power México	Wind
	2	Reynosa I, II, III, IV and V	Zuma Energia	Wind
	2	Tres Mesas 3	Engie	Wind
	3	Tres Mesas 4	Engie	Wind
Texas, U.S.	2	Planta Frontera 06PFT-PTA	Fisterra Energy	Solar
Tlaxcala	3	Calpulalpan	Engie	Thermal
Zacatecas	3	Calera	Mitsui	Solar

Source: SHCP, 2015-17.⁴⁷⁹

⁴⁷⁸ This project is financed by the Inter-American Development Bank. See: Yeshua Ordaz, “BID Invest financia con 17.2 mdd parque fotovoltaico Xoxocotla and Morelos,” *Milenio*, January 15, 2020, www.milenio.com/negocios/bid-invest-financia-parque-fotovoltaico-xoxocotla-morelos.

⁴⁷⁹ SHCP, “Contratos de largo plazo de cobertura eléctrica para la compraventa de energía acumulable y certificados de energías limpias correspondientes a la primera subasta de largo plazo de 2015”; SHCP, “Contratos de largo plazo de cobertura eléctrica para la compraventa de potencia, energía acumulable y certificados de energías limpias correspondientes a la primera subasta de largo plazo de 2016”; and, SHCP, “Contratos de largo plazo de cobertura eléctrica para la compraventa de potencia, energía acumulable y certificados de energías limpias correspondientes a la primera subasta de largo plazo de 2017.”

