



DRBF 15th Annual International Conference

22-23 May 2015 - Palazzo Ducale – Genoa, Italy

Session 6: Evolution of Dispute Board Practices

Dispute Board Program for the Rio 2016 Olympic and Paralympic Games


Augusto Figueiredo

*Head of Dispute Prevention and Resolution /
Infrastructure*



Agenda

- 1 | General Overview of Rio 2016 Games
- 2 | Types of Contracts and the Dispute Resolution System Designed for the Games
- 3 | Dispute Board Program of Rio 2016 Olympic and Paralympic Games
 - 3.1 – The Challenge
 - 3.2 – The Strategy
 - 3.3 – The Mechanics



1 | General Overview of Rio 2016 Games

6
World Championships

+ **45** TEST EVENTS
4 CEREMONIES (OPENINGS AND CLOSINGS)
100 DAYS OF TORCH RELAY (COUNTRYWIDE)



Olympic Games
42 WORLD CHAMPIONSHIPS IN 17 DAYS

Paralympic Games
23 WORLD CHAMPIONSHIPS IN 12 DAYS



August 5th to 21st

OLYMPIC GAMES

10.903 ATHLETES FROM **204** COUNTRIES

45.000 VOLUNTEERS

25.100 ACCREDITED MEDIA PROFESSIONALS

6.700 MEMBERS OF NATIONAL OLYMPIC COMMITTEES

3.200 REFEREES AND ASSISTANTS

4.350 ATHLETES FROM **164** COUNTRIES

25.000 VOLUNTEERS

7.200 ACCREDITED MEDIA PROFESSIONALS

6.700 MEMBERS OF NATIONAL OLYMPIC COMMITTEES

REFEREES AND ASSISTANTS

PARALYMPIC GAMES

September 7th to 18th





2 | Types of Contracts and the Dispute Resolution System Designed for the Games

Two types of contracts...

Delivery of City Bid Commitments

- Main Venues
- Transportation
- Infrastructure
- Port
- Tourism
- Environment
- Others

**Government
(Federal, State and Municipality)**

Delivery of The Games

- Broadcasting
- Sponsorship
- Licensing
- Ticketing
- Ceremonies
- Overlays
- Venues Use Agreements
- Others

Rio 2016

About Rio 2016 Contracts



Delivery of The Games

- Broadcasting
- Sponsorship
- Licensing
- Ticketing
- Ceremonies
- Overlays
- Venues Use Agreements
- Others

Rio 2016

Specificities

- Strong control of Budget
- Due date: August 5th – no extensions!
- Inefficiency of local courts
- Local culture of litigation

Common problems

- Lack of maturity of executive projects
- Fast-changing environment
- Change orders
- Temporality of the Project (commitment of contract managers)

Dispute Resolution System Designed for the Games



Delivery of The Games

- Broadcasting
- Sponsorship
- Licensing
- Ticketing
- Ceremonies
- Overlays
- Venues Use Agreements
- Others

Rio 2016

Advantages

- Focus on problem solving: deliver the Games on time and on Budget.
- Avoid local courts
- Reduce legacy of disputes after the Games

Corporate Mediation

- For all contracts

Arbitration

- For some contracts
- Preserve relationship
- Confidentiality

Dispute Boards

- For Overlays contracts
- Specially designed for the Rio 2016 Games



3 | Dispute Board Program of Rio 2016 Olympic and Paralympic Games

3.1 – The Challenge

3.2 – The Strategy

3.3 – The Mechanics

The Challenge

(1/3)

- Installation and Administration of 30/40 DBs involving construction, maintenance and post-event disassembly of non-permanent structures (mostly turn key solutions)
- No local Arbitral Institutions able to provide administrative services to the Parties
- Few months until the signature of first contracts
- Incipient local culture on Dispute Boards
- No reference list of members
- Need for neutrality and transparency

Develop the program from the ground up!

The Strategy

- Find an institution that could provide credibility, experience and neutrality to the Project
- First contact with the DRBF on beginning October 2014
- 2 months to develop and implement the program: first contracts to be signed on January 2015
- Fast track implementation of a Dispute Boards program for Rio 2016 Olympic and Paralympic games, elaboration of the Rules, administration of program and creation of a list of reference
- Creation of the role of a Program Manager: support and administration of all DBs
 - Coordination and discipline
 - Administrative problem solving
 - Not involved in merits
- Local workshops to train potential members and feed the lists:
 - Members: <http://www.drb.org/brazil-membros.htm>
 - Chairs: <http://www.drb.org/brazil-presidentes.htm>

The Mechanics

(1/2)

A. Separate DBs: one for each contract

1. Permanent or *ad hoc*, 1 or 3 members (preferentially permanent and 3 members DBs)
2. Applicable rules specially developed for the Project

B. 3 Exhibits to Master Contract:

1. DB Rules
2. DB Costs and Administration fees Agreement; and
3. Three Party Agreement

C. Party-selected members to be chosen from list of trained and certified local members

1. Necessarily trained under Rio 2016 DAB Training Program
2. Certified to be on the list
3. Must speak Portuguese or Spanish fluently
4. Either Party will have the right to reject a Party-selected member

The Mechanics

(2/2)

D. DAB Chairs to be selected also from the DRBF list:

1. Fluency in Portuguese or Spanish. English is a plus
2. Previous experience in DBs
3. Knowledge on local law desired
4. Geographic proximity (reduced travel costs)

E. DABs to meet regularly (remotely, if necessary) to discuss status of project, observe project, hear disputes, and otherwise assist the parties regarding matters prior to them becoming disputes

F. Monthly fees include regular activities above mentioned and decisions on claims

G. DBs decisions will be binding until overturned by arbitration.

H. DBs Fees/Costs:

1. Split 50/50 between Parties
2. Fees to include administration charges and Program Manager fee



**Thank You
..and see you in Rio!**