

APRIL 2022



عيسى السليطي للمحاماة
ESSA AL SULAITI LAW FIRM

MODERN LAW



COMMENTARY ON LAW NO. 10/2021
**MEASURES FOR HOSTING FIFA WORLD
CUP QATAR 2022**

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COMMENTARY ON LAW NO. 10/2021 MEASURES FOR HOSTING FIFA WORLD CUP QATAR 2022

INTRODUCTION

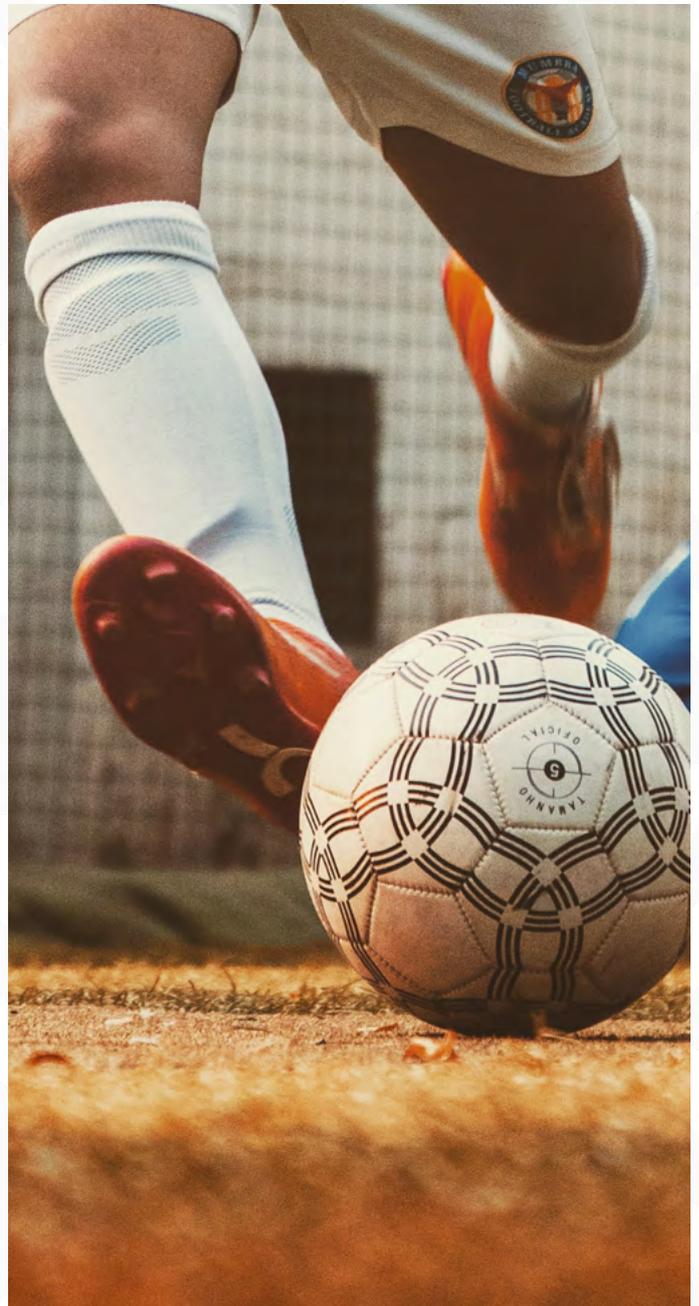
Football is coming to Qatar but the laws have already landed

The most highly anticipated international football competition is about to start. The World Cup is the most prestigious tournament of its kind and is broadcasted to billions of viewers across the world every four years (according to the numbers shared by FIFA, 3.572 billion people watched the 2018 World Cup).

Such an important event requires a specific set of laws protecting the interests of stakeholders, tournament participants, contractors, suppliers and holders of commercial rights related to the World Cup. The State of Qatar has issued Law No. 10/2021 covering the following areas and measures for hosting the World Cup 2022:

- ◆ Procedures for entering, exiting and working in the State of Qatar for the World Cup and its related activities;
- ◆ Tax Exemptions
- ◆ Safety and Security
- ◆ Banking and Foreign Exchange Operations
- ◆ FIFA Rights
- ◆ Broadcasting and advertising

Below we will look in more detail at the provisions of the Law No. 10/ 2021.



ENTRY, EXIT, AND WORK PROCEDURES

To ensure the success of the 2022 World Cup, it is crucial to have an audience. Therefore, the State of Qatar has committed to granting entry visas to foreign nationals wishing to attend the tournament. This procedure must be simplified as much as possible to allow foreigners smooth entry into the country.

Foreign citizens are permitted to be hired as volunteers by FIFA or the Supreme Committee without obtaining a work permit.

However, these entry visas shall expire five days from the last match of the tournament, which according to the official World Cup calendar will be on the 18th of December 2022.

FIFA, its affiliated organizations, the Continental Federations, National Football Associations, the Supreme Committee, suppliers of goods, work contractors, service providers, contractors with FIFA, FIFA's commercial partners, event broadcasters, and foreign nationals participating in the World Cup shall not be subject to the labour laws in force in the State of Qatar, but only to the provisions contained in their employment contracts.

TAX EXEMPTIONS

The following entities shall be exempted from all fees and taxes (without prejudice to exemption limits issued by a decision of the Minister of Finance):

- ◆ FIFA and its affiliated organizations
- ◆ The Continental Confederations
- ◆ National Football Associations
- ◆ FIFA World Cup QATAR 2022 LLC
- ◆ The Supreme Committee and its affiliated entities
- ◆ Contractors with FIFA
- ◆ Suppliers of goods
- ◆ Work contractors
- ◆ Service providers
- ◆ FIFA commercial partners
- ◆ Event broadcasters
- ◆ Individuals appointed or hired by any of the above entities
- ◆ Foreign nationals participating in events, matches, and other events adopted or approved by FIFA or accompanying the World Cup 2022 tournament



SAFETY AND SECURITY

The Chairman of the Security Committee (established by the Chairman of the Board of Directors of the Supreme Committee No. 2 of 2011), shall have the power to issue decisions, instructions and directions for the necessary security measures during the tournament.

The Chairman of the Security Committee has the power to suspend some of the provisions of the laws in force in the State of Qatar during the tournament, in accordance with the tournament hosting agreement and the Government Guarantees. Any such measures shall be published in the media in order to raise awareness.

Pursuant to Article 12, all governmental and non-governmental medical bodies shall accommodate emergency cases and provide medical assistance to the audience and others in attendance during the tournament time period according to the procedures determined by the Ministry of Public Health.

Regarding this point, it is not yet clear how the administration of such medical assistance shall align with the provisions of Law No. 22/2021, Regulating the Healthcare Services within Qatar. Pursuant to Article 8 of the Law 22/2021, "Health Insurance shall be mandatory to ensure the provision of Basic Healthcare Services to Expatriates and Visitors."

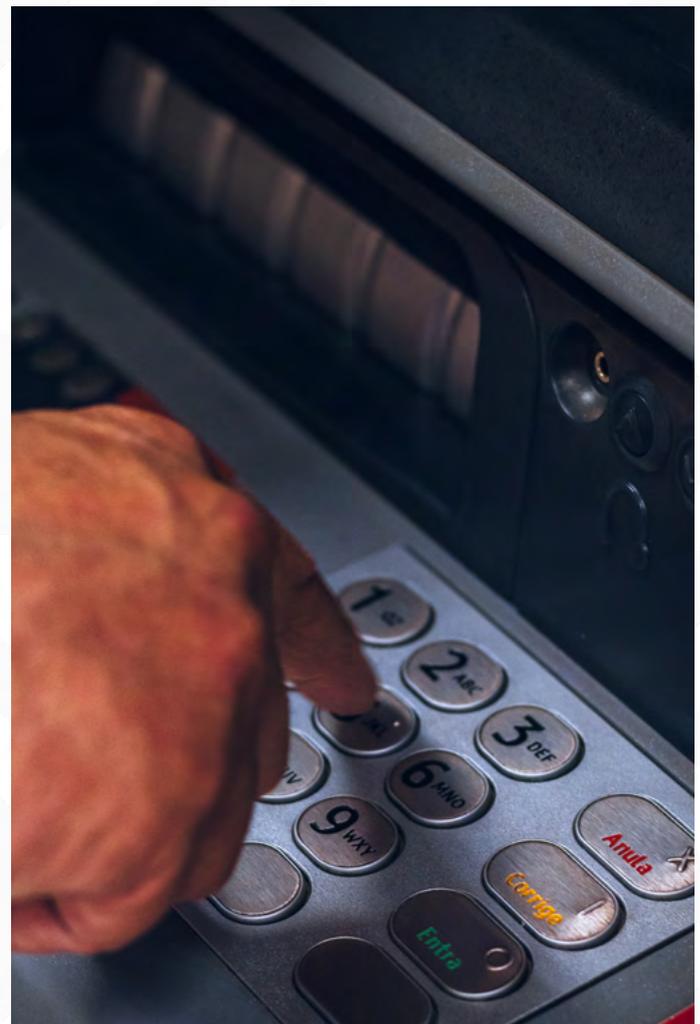
Qatar Law No. 10/2021 does not provide clarification on whether the international audience attending the World Cup must have health insurance.

BANKING AND FOREIGN EXCHANGE OPERATIONS

During the Tournament Time Period, (defined in the law as the "Period that begins ten days before the opening match of the Tournament and ends five days from the date of the last match of the Tournament,") there will be no restrictions on the purchase and sale of Qatar's currency and foreign currencies.

Further, the entry and exit of foreign currencies may not be restricted, as set out in Article 13 of the Qatar Law No. 10/2021.

Such provisions may be in force even before the Tournament Time Period and up to ninety days afterward.



FIFA'S RIGHTS

Articles 14 to 26 of the Law No. 10/2021 protect FIFA's rights in the State of Qatar. FIFA's rights are quite broad, but they can be divided into three categories:

- ◆ Intellectual Property Rights
- ◆ Commercial Rights (including advertising rights)
- ◆ Miscellaneous Rights

INTELLECTUAL PROPERTY RIGHTS

FIFA's intellectual property is thoroughly described in Article 14 of the Law No. 10/2021, as follows:

- ◆ The name, logo and anthem of FIFA.
- ◆ The official categories of Activities (events and matches official organized in the Tournament) and their designations; i.e. the vocabulary used in football or related in some way to football.
- ◆ Logos of Activities that use compound or non-compound vocabulary related to a message connected to football and which are registered as trademarks of FIFA and whose protection falls within the scope of the laws regulating the protection of works and trademarks in the territory of the State.
- ◆ Sport tournament mascots, logos, billboards, identification codes, designs and logos for Activities, trophies and medals developed by FIFA for official use in Activities for which FIFA has exclusive rights.
- ◆ Artistic, musical, and literary works, and other intellectual works and innovations related to similar rights.

- ◆ Designations and other intellectual innovations developed by FIFA for Activities for which FIFA has exclusive rights.
- ◆ Any marketing and advertising rights owned by FIFA.

It is forbidden to use, record, produce, reproduce, imitate or modify any of the intellectual property rights of FIFA, including importing, exporting, selling, reselling, offering for sale, or distributing products or offering intellectual property rights, unless previously licensed to do so by FIFA.



COMMERCIAL RIGHTS (AND ADVERTISEMENT)

The following acts are classified as unfair competition and are consequently prohibited:

- ◆ Any type of commercial activity that could lead to a false belief that the products or services being marketed are issued, approved or accepted by FIFA or the Supreme Committee, including activities related to or participation in the sale and promotion of goods, works and services.
- ◆ Carrying out certain public activities for commercial purposes in a way that would lead to a mistaken belief that these activities are related to FIFA or the Supreme Committee, or that they have been approved by either entity.
- ◆ Using tickets for advertising purposes or for holding lotteries, competitions, games, bets and advertising procedures, or including the cost of tickets in the list of tourism, accommodation and other services, without the written consent of FIFA.
- ◆ Showing a public televised event without a license from FIFA. According to the Law No. 10/2021 a public event show is any show in which the broadcast of the Tournament is covered for viewing at any public place.

These prohibitions are of the utmost importance because many are not aware that they cannot use certain words, images and signs in their commercial communications, promotions, marketing etc. The penalty stated in the law for these actions is imprisonment for a period not exceeding one year and a fine not exceeding QAR 500,000 (five hundred thousand Qatari Riyals), or either one of these two penalties. The Secretary-General of the Supreme Committee, or his authorised representative, may conciliate in the offences mentioned above. If a legal person (company) commits the unlawful action, the conciliation charge will be QAR 10,000 (ten

thousand Qatari Riyals). The conciliation charge for individuals is QAR 1,000 (one thousand Qatari Riyals).

All of FIFA's rights detailed above are connected with advertisement during the Tournament in the Activity Venues and in the Controlled Commercial Area. In order to assess accurately the extent of the protection conferred to FIFA, we must peruse three definitions:

- ◆ Tournament Time Period: Period that begins ten days before the opening match of the Tournament and ends five days from the date of the last match of the Tournament.
- ◆ Activity Venues: Buildings, structures, facilities, or areas approved for carrying out the activities.
- ◆ Controlled Commercial Area: Area adjacent to the stadium or any of the Activity Venues determined by FIFA, with a diameter not exceeding 2 km, calculated from the middle of the stadium or the Activity Venue, and including its airspace, in which it is prohibited to engage in some commercial and other activities, during the day of the match and the preceding day.

Pursuant to Article 28 of the Law No. 10/2021, FIFA must authorize any advertisement or promotion in the Activity Venues or in the Controlled Commercial Area during the Tournament Time Period and the period starting two days before the date of the preliminary or final draw of the matches and until the day following the completion date of the drawing ceremony.

FIFA may submit a request to the Supreme Committee to remove an advertisement and prevent a promotion in violation of the said provision.

Considering the law above, our advice to all those who are not Official Sponsors of the 2022 World Cup are as follows:

1. Do not use the words "FIFA" or "World Cup 2022" (irrespective of the order in which the words are used), or its logos, other vocabulary associated to the Tournament (e.g. Qatar 2022, World Cup, etc.), and slogans associated with the World Cup (amongst others "Expect Amazing");
2. Images that are protected as trademarks, such as the logo of the World Cup 2022, its mascot and the World Cup winner trophy.
3. Do not use without authorization the image of players or teams, because they also have their image duly protected; however, the (appropriate) use of the flag of nations participating in the World Cup is not forbidden.
4. Generic sport images, even of football, should not be considered as unlawful as long as they do not suggest an official association with the World Cup.

This set of rights intends to protect FIFA and its official partners and sponsors from something labelled "ambush marketing". This is the most common name given to practices of companies/individuals (but normally companies) who purport to associate directly or indirectly with a specific event, with the purpose of gaining visibility, recognition and the benefits arising

from being associated/linked with such an event without actually being an "official" partner or sponsor of said event.

Prestigious sports events like the World Cup attract worldwide attention from millions of viewers and spectators, and consequently are an excellent opportunity for marketing and advertisement. Some brands pay millions to be an Official Sponsor / Partner and to therefore be associated with the event. However, other brands do not have this opportunity, in some case cases due to exclusivity reasons (for instance, if Adidas is a FIFA Partner for the World Cup 2022, Nike cannot also be authorised to be an official Partner or Sponsor). However, in other cases, brands are not willing to spend the amount required for the sponsorship fees and employ alternative strategies, some of which are very successful in creating the illusion that they are associated with the event.

Regarding the determination of locations and content of advertisements for FIFA and FIFA's Business Partners, such locations and content shall be subject to the approval of the Supreme Committee. This is an exception to the provisions of the Law No. 1/2012 (On Advertising in Qatar) and the Law No. 7/2019 (On the Protection of the Arabic Language). This exception may allow Budweiser (Official Sponsor of the World Cup 2022), for example, to advertise its alcoholic products, a possibility previously denied under Article 5 of the Law No. 1/2012.



MISCELLANEOUS RIGHTS

In this category, we include specific rights granted to FIFA, such as the exclusive right to issue, sell and distribute the tickets for the Tournament.

It should be noted that no holder of tickets for the Tournament is authorised to sell, resell, redistribute or exchange the tickets unless the action is so performed with a license from FIFA or its authorised representative. Anyone who violates this provision shall be sentenced to a fine not exceeding QAR 250,000. The penalty shall be multiplied by the number of tickets subject to the violation.

The Secretary-General of the Supreme Committee, or his authorised representative, may conciliate in the offences mentioned above, however the penalties range from three times the value of one ticket for each ticket to twenty times the value of one ticket for each ticket. The concrete penalty shall depend on the number of tickets the offender was selling, reselling, etc. and if the offender is a legal person or an individual.

By way of exception to the Law No. 13/2016, FIFA or its authorized representatives may process the personal data of nationals and residents of the State who purchase tickets, including the registration, organisation, storage, identification and use of such data, without obtaining the prior approval of the competent Ministry. The Security Committee shall determine who may benefit from such data.

FIFA, its Affiliated Organisations, its commercial partners, contractors, suppliers of goods, work contractors, service providers and event broadcasters may establish companies in the State with a foreign capital of 100% in the areas related to the Activities and within the limits

of government guarantees. These companies shall be dissolved within ninety days of the final day of the Tournament Time Period, without prejudice to the possibility of regularizing its status in accordance with the provisions of the laws in force in the State of Qatar.

The Council of Ministers may extend the period to finalize the liquidation procedures based on a proposal of the Supreme Committee.

All products marketed by FIFA, FIFA affiliated organisations, FIFA business partners, suppliers of goods, work contractors and service providers may be distributed, sold and advertised in the Activity Venues and the Controlled Commercial Area.

Finally, the State of Qatar has committed to provide the audience attending the World Cup with free transportation via trains and buses designated by the State for this purpose.

Despite not being included in the Law No. 10/2021, we would also like to highlight the measures adopted under Qatar Ministerial Decision No. 46/2021, setting the Maximum Prices for Rental of Hotel Rooms and Similar Places During the Period of Hosting the 2022 FIFA World Cup in Qatar.

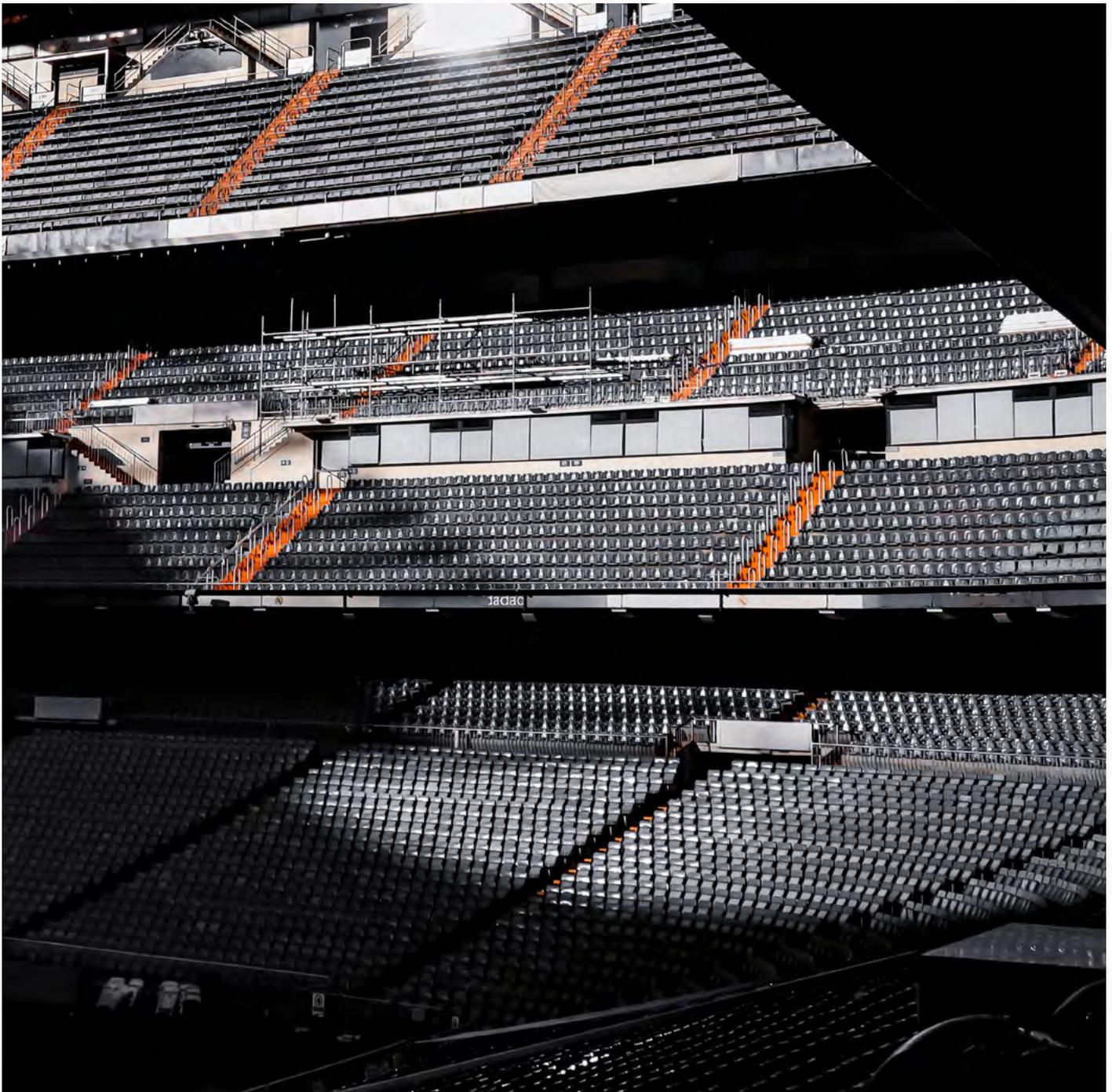
The above regulation defines the maximum price for 80% of the hotel rooms in the State of Qatar during the period from 1 November to 21 December 2022.

This a very important measure to prevent the inflation of hotel rates during the World Cup, and eventually may be extended to other sectors of the economy to ensure that the audience coming to witness the World Cup have the best experience possible.

CONCLUSION

Though the World Cup 2022 has not yet kicked off, it is clear to see that the laws and regulations have already begun to set in. This gives the opportunity to all economic sectors to prepare for what will be an amazing tournament with

long-lasting advantages in the State of Qatar and, most likely, re-shaping the image of the Middle East for the current and next generations.



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