Momentum
Journalism & Tech task force

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Big Tech Economic Regulation in Brazil: What Changes with the Revised Digital Competition Bill?

As one of the world's largest markets for Big Tech companies, Brazil is at a pivotal moment in defining the rules that will govern these firms' operations in the country. New regulatory obligations, antitrust investigations, and legislative proposals are reshaping the country's digital policy landscape. Among the most significant developments is Bill No. 4,675/2025, which proposes a new framework for economic regulation and competition in digital markets.

Originally introduced in September 2025 by the Secretariat for Economic Reforms of the Ministry of Finance (SRE-MF), following a two-year drafting process, the bill draws inspiration from regulatory initiatives in countries such as the United Kingdom and South Africa. It reflects an effort to strengthen Brazil's antitrust framework by equipping competition authorities with new tools to address market conduct and competitive harms associated with digital platforms.

In recent weeks, the bill's rapporteur, Congressman Aliel Machado (PV–Paraná), introduced a revised version of the proposal, recommending changes to several of its core provisions. As this revised text may be put to a vote in the coming weeks, **Momentum – Journalism & Tech Task Force** presents an overview of the rapporteur's key proposals and examines how leading civil society organizations have responded to the proposed changes.

The Digital Competition Bill and the Revised Proposal in Context

Broadly speaking, Bill No.4,675/2025—known as the "Fair Digital Competition Bil"—proposes amendments to Brazil's primary competition law, the Competition Act (Law No. 12,529/2011), in order to establish a regulatory framework for digital markets. **Under the proposed model, the Administrative Council for Economic Defense (CADE), Brazil's federal competition authority, would receive expanded powers to monitor digital markets and, where necessary, intervene to safeguard effective competition in sectors dominated by Big Techs**.

The bill also proposes the creation of a **specialized CADE unit dedicated to digital markets**. This unit would oversee a new type of administrative proceeding that could ultimately lead CADE's Tribunal to designate certain companies as having "systemic significance"—a legal status broadly comparable to the United Kingdom's *Strategic Market Status (SMS)* designation. Once designated, these firms would become subject to a range of obligations, including maintaining a legal representative or office in Brazil and providing access to performance metrics related to their products, services, and commercial offerings. When the bill was first introduced, **Momentum** published a detailed report examining its main provisions, which is available here.

The revised version of the bill submitted in early July by Congressman Aliel Machado (PV–Paraná), the bill's rapporteur in the Chamber of Deputies, nearly one year after the Executive Branch introduced the original proposal, **does not seek to alter the regulatory model envisioned by the government**. The framework that places CADE at the center of the process—empowering it to determine which firms possess systemic significance and subsequently impose regulatory obligations-therefore remains unchanged.

What Is "Systemic Significance"?

In the Brazilian bill, "systemic significance" refers to the legal status assigned to companies or corporate groups whose position in digital markets is considered strategically important because of their scale, influence, or market power. The concept is used to identify firms whose conduct may have broad implications for consumers, competing businesses, and market competition as a whole, thereby justifying the imposition of ex ante regulatory obligations.

Although the concept is rooted in Brazilian competition law, it is broadly comparable to the United Kingdom's Strategic Market Status (SMS) designation under the Digital Markets, Competition and Consumers Act (DMCC), while establishing its own legal criteria, institutional framework, and enforcement mechanisms.

Instead, the rapporteur's proposed revisions **focus primarily on refining the criteria and procedures used to designate companies as systemically significant, as well as expanding the participatory mechanisms available to support CADE's decision-making process**. The following sections compare the revised proposal with the original bill and highlight the most significant changes.[1]

1 This comparison was prepared using AI tools and subsequently reviewed by a human.

Strategic Market Status [Systemic Significance]: Designation and Special Obligations

Provision	Topic	Original Text of Bill No. 4,675/2025	Substitute Bill
Article 5, IV	CADE specialized unit	Creates the **Digital Markets Superintendency**	Renames the unit the **Special Superintendency for Strategic Market Status, Competition and Consumer Protection in Digital Markets**
Article 18-A, §7 (new)	Superintendency's powers	Not included in the original bill.	Clarifies that implementing regulations may not create new grounds for designation, additional obligations, or new enforcement powers beyond those established by the law
Art. 47-C, caput	Designation criteria	Designation is based on the statutory criteria, which are assessed **independently (non-cumulatively)**, and may also consider other unspecified factors	All statutory criteria must be assessed **cumulatively**, leaving no room for additional criteria beyond those expressly provided by law
Article 49	Duration of designation	Designation remains valid for up to **10 years**	Reduces the designation period to **8 years**
Articles 47-C and 87-B	Special obligations following designation	The original bill establishes a close link between designation and the imposition of special obligations	Clarifies that designation **does not automatically trigger** special obligations, which must instead be imposed through a separate administrative proceeding
Article 87-C	Voluntary compliance commitments	Not included in the original bill	Allows designated companies to submit voluntary commitments to achieve the objectives of the law before special obligations are formally imposed. Such commitments **do not** constitute an admission of liability or market dominance

Transparency and Public Participation

Beyond the changes related to Strategic Market Status ("Systemic Significance") designation, the substitute bill strengthens the transparency and public participation mechanisms governing CADE's oversight of digital markets. The main changes include:

Provision	Topic	Original Text of Bill No. 4,675/2025	Substitute Bill
Article 87-J	Transparency and public participation	Not included in the original bill	Requires CADE to ensure transparency, collaboration, and public participation in proceedings related to digital markets through mechanisms such as public consultations, public hearings, technical meetings, requests for evidence and submissions from interested stakeholders. Participants must disclose any economic, institutional, or representative interests, as well as funding relationships, including indirect funding from economic actors affected by the matter under discussion
Article 87-D, §3	Public consultation period	Administrative proceedings for Strategic Market Status designation are accompanied by a request for evidence, open for **15 days**.	Extends the public consultation period to **30 days**
Article 87-L	Advisory Council	Not included in the original bill	Authorizes CADE to establish a **Digital Markets Advisory Council** composed of representatives from academia, civil society, the private sector, and public authorities

Stakeholder Responses to the Revised Bill

Since the revised bill was released in early July, a range of organizations have weighed in on its proposed changes. Overall, civil society organizations working on digital rights in Brazil have welcomed the expansion of opportunities for public participation in the regulatory process that CADE would oversee if the bill is enacted. At the same time, they have raised concerns about how the revised text could affect the designation of the companies targeted by the legislation—namely, big tech companies.

The main point of contention concerns the revised criteria for designating companies as having "systemic significance". By requiring that all statutory criteria[2] be assessed jointly and supported by a reasoned decision, the revised proposal alters one of the original bill's core regulatory mechanisms. In a technical note, the think tank Data Privacy Brasil argues that this change could make it more difficult for CADE to exercise its powers by raising the evidentiary threshold required for designation and creating additional opportunities for legal challenges by the platforms.The organization also argues that the revised proposal should establish a clearer relationship with Brazil's General Data Protection Law (LGPD), given the central role that personal data plays in competition within digital markets. In this regard, it highlights the importance of closer coordination between CADE and the National Data Protection Authority (ANPD), which has increasingly emerged as another key institution in Brazil's platform governance framework.

In an opinion article published in "O Globo", scholars Filippo Lancieri and Beatriz Kira likewise welcome the revised proposal, arguing that it preserves three features that are essential to the effectiveness of the regulatory framework: the adoption of an *ex ante* regulatory approach, the possibility of asymmetric regulation tailored to the characteristics of different markets, and expanded opportunities for civil society participation in the implementation of the law. According to the authors, these elements bring Brazil's proposal closer to recent international approaches to regulating competition in digital markets while strengthening CADE's institutional capacity to address competition concerns arising from digital platforms.

CADE President Diogo Thompson-who, in April, voted in favor of opening an investigation into Google over the alleged abuse of a dominant position in the online search and news markets through the improper use of journalistic content—has also expressed support for the revised bill. According to Thompson, the revised designation criteria enhance legal certainty without altering the proposal's central objective of regulating the conduct of digital platforms in digital markets.

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[2] These criteria are: *(i)* operating in more than one multi-sided market; *(ii)* possessing market power associated with network effects, including across different products, services, or digital markets; *(iii)* maintaining vertical integration, operating in adjacent or complementary digital markets, or exhibiting other characteristics that demonstrate the firm's significant integration within a digital ecosystem; *(iv)* holding a strategic position that results in third-party dependence for conducting business activities or for accessing users, data, infrastructure, or functionalities; *(v)* having access to, control over, or the ability to combine significant volumes of relevant personal or commercial data, including across different products or services; or *(vi)* acting as a gatekeeper to a digital ecosystem composed of multiple complementary products, services, or assets.

What This Could Mean for Journalism

At a time when other major platform regulation proposals-such as Bills No. 2,630/2020 and No. 2,338/2023-remain stalled in Congress, progress on a significant piece of digital competition legislation has the potential to further accelerate Brazil's regulatory agenda.

Although the revised proposal still leaves room for improvement, its continued progress through Congress and the prospect of a vote in the coming weeks are encouraging developments for Brazil's regulatory landscape and for sectors affected by the growing influence of digital platforms and artificial intelligence. By preserving the core pillars of the original proposal, the revised bill recognizes that competition authorities should look beyond competition *between* platforms and also address their broader economic and societal impacts.

International experience offers valuable lessons in this regard. In the United Kingdom, a series of market studies conducted by the *Competition and Markets Authority* (CMA) led to the creation of the *Digital Markets Unit* (DMU) and, subsequently, to the enactment of the *Digital Markets, Competition and Consumers Act* (DMCC). The new legislation empowered the competition authority to designate firms with *Strategic Market Status* (SMS), impose obligations proportionate to the risks they pose, and strengthen both market oversight and public participation mechanisms. As these institutions evolved, policy discussions gradually expanded beyond competition in the narrow sense to encompass broader issues, including the economic sustainability of journalism and the distribution of value between digital platforms and news publishers. Today, the UK government is also considering mechanisms to ensure fairer remuneration for publishers whose journalistic content is used by digital platforms and artificial intelligence systems.

Developments in the United Kingdom, together with more recent initiatives in South Africa, suggest that strengthening competition authorities can be an important step toward enhancing the state's capacity to address the challenges posed by digital platforms. From this perspective, the greatest contribution of Bill No. 4,675/2025 may not be to provide immediate solutions to issues such as the sustainability of journalism. Rather, its lasting value may lie in strengthening the institutional capacity needed to generate evidence, develop informed regulatory responses, and create permanent forums for addressing the economic impacts of digital platforms.

It is also worth emphasizing that the revised proposal significantly expands opportunities for democratic participation in CADE's regulatory processes.Recent experience-including the proceedings that culminated in the opening of CADE's investigation into Google-demonstrates that the active engagement of media outlets and journalism associations can play an important role in ensuring that the sector's concerns are reflected in regulatory debates.

In this regard, the revised bill's expanded transparency and public participation mechanisms deserve particular attention. By providing for public consultations, evidence-gathering procedures, public hearings, and other forms of institutionalized participation, the proposal creates new opportunities for civil society organizations, researchers, and sectors directly affected by digital platforms—including journalism—to contribute to the implementation of Brazil's competition policy. Should the revised proposal be enacted, these mechanisms could foster new forms of collaboration around issues that are central to the future of the news ecosystem.

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